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Chaitra 20, 1883 (Saka)

LOK SABHA DEBATES

(Thirteenth Session)

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LOK SABHA

Monday, April 10, 1961/Chaitra 20, 1883 (Saka)

The Lok Sabha met at Eleven of the Clock

[MR. SPEAKER *in the Chair*]

ORAL ANSWERS TO QUESTIONS

Conditions of Central Government Employees

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*1404. **Shri Ram Krishan Gupta:**
Shri A. K. Gopalan:
Shri M. K. Kumaran:
Shri Warior:
Shri Kodiyan:
Shri Punnoose:

Will the Minister of **Home Affairs** be pleased to refer to the reply given to Starred Question No. 422 on the 24th November, 1960 and state:

(a) whether Government have received the Report of Inter-departmental Enquiry regarding the conditions of work of Central Government employees; and

(b) if so, the details thereof?

The Minister of Home Affairs (Shri Lal Bahadur Shastri): (a) and (b). The Committee has not yet submitted its report.

Shri Ram Krishan Gupta: The Committee was expected to submit a report by March, 1961. May I know when it is expected to be received?

Shri Lal Bahadur Shastri: I have been informed that the Committee wil be able to submit its report by the end of June.

Shri Ram Krishan Gupta: May I know whether the Committee has visited any city other than Calcutta and Bombay?

Shri Lal Bahadur Shastri: Yes, they have visited a number of States besides Calcutta and Bombay.

Shri Sadhan Gupta: May I know the terms of reference of the Inter-Departmental Committee?

Shri Lal Bahadur Shastri: The Inter-Departmental Committee has been set up to review the existing welfare arrangements and make recommendations for their improvement.

श्री म० ला० द्विवेदी : यह कमेटी कर्मचारियों की काम की दशा की जांच करने के लिए नियुक्त की गयी है । मैं जानना चाहता हूं कि क्या यह कमेटी इस बात की भी जांच करेगी कि कर्मचारियों के पास पूरा काम है या नहीं ?

श्री लाल बहादुर शास्त्री : क्या इस बात की जांच के लिए आपने प्रश्न किया कि कर्मचारियों के पास पूरा काम है ?

श्री म० ला० द्विवेदी : मेरा खयाल है कि बहुत से कर्मचारियों के पास पूरा काम नहीं है । क्या सरकार इस बात की भी जांच इस कमेटी से करायेगी ?

अध्यक्ष महोदय : यह अलग बात है ।

श्री म० ला० द्विवेदी : इस कमेटी की टर्म्स आफ रेफरेन्स के बारे में मैं पूछना चाहता हूं । क्या कमेटी के टर्म्स आफ रेफरेन्स में यह भी शामिल है कि वह देखे कि कर्मचारियों के पास पूरा काम है या नहीं ।

श्री लाल बहादुर शास्त्री : यह कमेटी तो ज्यादातर वेलफेयर कार्य के सम्बन्ध में है । इसलिए जो प्रश्न माननीय सदस्य ने पूछा है वह इसमें सीधा नहीं उठता ।

श्री भक्त दर्शन : क्या इस कमेटी ने कर्मचारियों के प्रतिनिधियों से भी बातचीत की है ताकि उन्हें मालूम हो जाये कि उनकी क्या-क्या कठिनाइयां हैं ?

श्री लाल बहादुर शास्त्री : जी हां, यही तो उनका खास काम है कि वह उनके ऐसोसियेशन्स से और दूसरे संगठनों से बात करे ।

Shri Chintamoni Panigrahi: May I know whether representations have been received from the Central Government Employees' Unions with regard to the present working conditions of the Central Government employees and, if so, what are their demands before the Committee?

Shri Lal Bahadur Shastri: The demands are many, but the terms of reference of the Committee are very comprehensive and I would like the hon. Member to wait because there is no point in placing all the details before the House just now. I am sure the hon. Member is more interested in the fact that whatever their demands are they are fully considered by the Committee and their recommendations placed before the Government.

श्री भक्त दर्शन : जब इस कमेटी से मार्च तक रिपोर्ट देने के लिए कहा गया था तो यह जून तक का समय क्यों ले रही है ?

श्री लाल बहादुर शास्त्री : बहुत स्पष्ट तो मैं कुछ नहीं कह सकता लेकिन जहां तक मुझे मालूम है यह कमेटी अफसरों की ही है । उनको और भी बहुत से काम है । उनको सूबों में भी जाना पड़ा और दिल्ली में भी उन्होंने बात की है । इसलिये कुछ अधिक समय इसमें लग गया ।

Shri D. C. Sharma: May I know if the report of this Committee will be placed on the Table of this House so that Members of Parliament can discuss it?

Shri Lal Bahadur Shastri: I do not think I shall have any special objection, but the hon. Member will allow me to take a final decision when the report has been received.

Shri P. G. Deb: May I know whether the Government is framing strong rules to give seniority to their own staff over the newly recruited ones, that is, those selected by the UPSC?

Mr. Speaker: That does not relate to welfare. Next question.

सरकारी कर्मचारियों के बच्चों की शिक्षा

१४०५. **श्री भक्त दर्शन** : क्या शिक्षा मंत्री २१ नवम्बर, १९६० के अतारांकित प्रश्न संख्या ४५१ के उत्तर के सम्बन्ध में यह बताने की कृपा करेंगे कि जिन स्थानों पर भारत सरकार के कर्मचारी बड़ी संख्या में रहते हैं ऐसे कुछ चुने हुए स्थानों पर कर्मचारियों के स्थानान्तरित होने की दशा में उनके बच्चों को शिक्षा सम्बन्धी सुविधायें देने के लिए पर्याप्त संख्या में शिक्षण संस्थायें स्थापित करने के प्रश्न के बारे में क्या निश्चय किया गया है ?

शिक्षा मंत्री (डा० का० ला० श्रीमाली): इस काम के लिए एक योजना तीसरी पंचवर्षीय आयोजना में शामिल कर ली गयी है और ब्यौरे तैयार किये जा रहे हैं ।

I shall read it in English also.

A scheme for the purpose has been included in the Third Five Year Plan and further details are being worked out.

श्री भक्त दर्शन : जैसा कि माननीय मंत्री जी ने स्वीकार किया है, केन्द्र की ओर से

स्कूल खोलने में समय लगेगा । अतः क्या राज्य सरकारों से यह अनुरोध किया गया है कि जब तक केन्द्र से स्कूल न खोले जायें तब तक वह अपनी ओर से ज्यादा से ज्यादा सहूलियत दें ?

डा० का० ला० श्रीमाली : वह तो हो ही रहा है । जो सहूलियत मिल सकती है वह तो मिल रही है । लेकिन ये तो विशेष स्कूल खोले जायेंगे जहां हिन्दी और अंग्रेजी के माध्यम से शिक्षा दी जायेगी ।

'Alize' Anti-Submarin Aircrafts

*1406. **Shri Ajit Singh Sarhadi:** Will the Minister of **Defence** be pleased to state:

(a) the total cost at which 12 French 'Alize' anti-submarine aircrafts are being procured;

(b) whether it is by private negotiation or global contract;

(c) whether the personnel for all these planes have been trained; and

(d) if so, where?

The Deputy Minister of Defence (Shri Raghuramaiah) (a) Government regret that in the best interests of the State this information may not be given as it relates to the strength of the Naval Air Arm.

(b) By negotiation.

(c) and (d). They are undergoing training in France.

Shri Ajit Singh Sarhadi: All the information what we require is whether the aircraft necessary for the aircraft carrier that has recently been purchased have been procured from the world market.

The Minister of Defence (Shri Krishna Menon): I could not hear what the hon. Member said.

Mr. Speaker: Will he kindly repeat his question?

Shri Ajit Singh Sarhadi: The information which we require is only to this extent, namely, we have recently purchased an aircraft carrier and it has been commissioned.

Shri Raghunath Singh: Vikrant.

Shri Ajit Singh Sarhadi: Yes. May I know whether the aircraft necessary for that aircraft carrier have been procured from the world market?

Shri Krishna Menon: Yes, Sir; by negotiation.

There are only three countries from which they can be obtained and they are all countries which we are able to contact. Three aircraft of the different countries were evaluated and not only the Navy but the best advice that we can get on it and the study made led to the conclusion that the Alize was the best aircraft to handle this particular role.

Shri Ajit Singh Sarhadi: The Ministry has perhaps rightly refused to give information about the purchase of anti-submarine aircraft. But is the Ministry aware that this information is already available in the English papers and, if so, has the Ministry come across that information?

Shri Krishna Menon: We are not refusing to give information as to the name of the aircraft. But the question is of the numbers.

Mr. Speaker: He says that even that information has been published in the English newspapers.

Shri Krishna Menon: Numbers? That will be wrong, because we have not ourselves decided on it. Because it is published it does not become a fact.

..**Shri Morarka:** The number is given in the question. We want to know only the total value of the aircraft.

Shri Krishna Menon: The number is given in the question. But the questioner is not the Government.

Shri Morarka: The number need not be given, but the total value may be given.

Shri Krishna Menon: If the total value is given, the number is known.

Shri Morarka: We do not know the value of the aircraft. On a point of order, Sir.

Mr. Speaker: I will decide the point of order during the debate on the Demands for Grants of the Ministry of Defence.

I said the other day that it had been repeatedly pointed out to me that matters relating to defence which are being given in other countries, particularly in the House of Commons, are not being submitted to this House on the ground that it would be disclosure of secret information. I have to decide how far I should allow that how far the hon. the Defence Minister can excercise the discretion of withholding information from the House. The House must know everything about expenditure. Therefore, I shall decide it. The hon. Minister, before he goes into details of defence will kindly submit to the House what he thinks regarding this.

I find that a small booklet was published sometime ago by the Lok Sabha Secretariat. Hon. Members may look into it in the Library. The hon. the Defence Minister will say what he has to at the time of his participation in the debate on the demands.

Shri Ansar Harvani: It is very useful.

Shri Krishna Menon: It does not probably arise out of this question. It is true you did say that the information that is given in the House of Commons is not given here. But when the time comes I hope you will allow me to say how far that conforms to the situation and what other different circumstances there exist.

In regard to this particular question, there is no difficulty about giving the name of the aircraft. But we cannot give the price of purchase.

Mr. Speaker: Should not the House know how much we are spending on Defence? This will be a lump sum; nobody will take the trouble of working out. But if they are so ingenious, they will go to the company itself.

Shri Krishna Menon: This is a Government to Government transaction. It is a transaction between the French Government and ourselves. There are difficulties in this matter which I am prepared to explain to you.

Mr. Speaker: When we take up the Defence Ministry Demands, the hon. Minister will tell us how far we can proceed in this matter.

Assam Road Tax and West Bengal Entry Tax on Tea

***1407 Shri Rameshwar Tantia:** Will the Minister of **Finance** be pleased to refer to the reply given to Starred Question No. 419 on the 24th November, 1960 and state:

(a) whether Government have now completed consideration on Assam Government's request to replace Assam Road Carriage Tax and West Bengal Entry Tax on tea by a Central Tax to be distributed to producing States; and

(b) if so, the result thereof?

The Deputy Minister of Finance (Shri B. R. Bhagat): (a) and (b). The existing position is being continued for one year after which the matter will be considered further.

Shri Rameshwar Tantia: May I know whether Government is aware that these various taxes make our tea costly in the foreign countries, as a result of which our exports are hampered? If so, what steps are Government taking for the abolition of these taxes?

Shri B. R. Bhagat: We have taken all these into consideration and come to this decision that we would allow these taxes to continue for one more year, because the State Governments are insistent that their revenue will be affected very adversely.

Shri Rameshwar Tantia: May I know whether there was a case in the Supreme Court against the Assam

Road tax, in which the verdict given was that such taxes are illegal, without the previous sanction of the President? Are the Government also aware that the Assam Government are bringing forward a new Bill in the Assembly?

Shri B. R. Bhagat: This is true.

Shri P. C. Borooah: May I know when this request of the Assam Government reached the Central Government?

Shri B. R. Bhagat: Request regarding what?

Shri P. C. Borooah: Request regarding combining the two road taxes making it one Central tax, and giving a share to the State Governments.

Shri B. R. Bhagat: The whole matter was considered at a meeting of the State Finance Ministers of States like Assam West Bengal, Kerala and Orissa, with the Union Finance Minister and the the decision arrived at was a result of the discussion.

Shri P. C. Borooah: May I know, Sir, if it is a fact that this proposal was not favoured by the West Bengal Government and that is why the delay has occurred.

Shri B. R. Bhagat: As I said, all the State Governments were represented in that Conference. We decided to continue these taxes for one year and referred the matter to the Finance Commision which will take into consideration the effect after one year, that is March 1962, and also consider the possibility of levying a general tax of moderate incidence as we have in Bihar and Madras. All these points emerged as a result of the discussion and this decision was taken.

Shri Hem Barua: ,May I know whether the local tax, that is the Assam Road Carriage tax, is an irregular and illegal tax, because of the finding of the Supreme Court? If so, how could Government want to continue it for one year?

Shri B. R. Bhagat: The whole thing was validated as a result of the President's assent to an Ordinance, especially the past recoveries.

Mr. Speaker: For want of a technical sanction it was declared illegal. It has been regularised.

Shri Supakar: The purport of the ruling of the Supreme Court is that the previous sanction of the President is necessary. What stands in the way of the President giving sanction?

Why do Government not advise the State Governments to take such sanction. Do Government also propose to advise them that such a Bill should not be brought in the different legislatures? May I know if Government contemplates reimbursement of the loss by any other method?

Shri B. R. Bhagat: This is a hypothetical question. As regards bringing forward legislation, the various State Legislatures were considering it. As for the particular State from which hon. Member comes, this matter was considered. Since the legislature there has been abrogated, the matter is considered in the Law Ministry here. So, all this legislative process is being examined and considered.

Shri Amjad Ali: Has it come to the notice of Government that this lacuna has been filled by fresh legislation with the sanction of the President? A Bill to that effect was brought before the Assam legislature and has been passed into law.

Shri B. R. Bhagat: What is the lacuna, I do not know. It has been validated by an assent order issued by the President. There is no lacuna now.

Shri Amjad Ali: It was invalidated by the Supreme Court of India on account of the fact that it did not receive the President's assent before it was introduced in the Asembly. Subsequently a Bill was introduced and passed by the State Legislature. It has become law now.

Shri B. R. Bhagat: That is true.

Shri P. C. Borooah: The hon. Deputy Minister was referring to an ordinance. What is that ordinance, we do not know.

Mr. Speaker: When was it promulgated?

Shri B. R. Bhagat: As I said, the Supreme Court invalidated the Assam Taxation Act levying duty on tea and Jute. That was invalidated because the President's assent was not obtained. On that technical ground, without going into the merits, they said that the measure was invalid.

This was set right by the assent to the promulgation of an Ordinance given by the President and subsequently the assent to the State Bill.

National Consciousness among Students

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*1408. **Shri Pangarkar:**
Shri Ram Krishan Gupta:
Shri D. C. Sharma:
Shri Prakash Vir Shastri:
Shrimati Krishna Mehta:
Shri Kalika Singh:
Shri Pahadia:
Shri Bhakt Darshan:

Will the Minister of **Education** be pleased to refer to the reply given to Starred Question No. 443 on the 24th November, 1960 and state:

(a) whether Government have finalised the programme to develop on a nation-wide scale a national consciousness among the country's youth, particularly its school-going children; and

(b) if so, the details thereof?

The Minister of Education (Dr. K. L. Shrimali): (a) A proposal to set up a Committee to work out a detailed programme in this regard is under consideration.

(b) Does not arise.

I might further inform the House that we are finalising the terms of reference and the personnel of the Committee, and as soon as this is finalised we will make an announcement.

Shri Pangarkar: While finalising the terms of reference, will the views of the various educational institutions in the States be taken into consideration?

Dr. K. L. Shrimali: That will be for the Committee to consider.

Shri D. C. Sharma: May I know if the exact definition of the term "national consciousness" will also be one of the terms of reference of the Committee?

Dr. K. L. Shrimali: I suggest that the hon. Member may wait till we finalise the terms of reference.

श्री भक्त दर्शन : क्या यह सत्य है कि इस समिति की अध्यक्षता के लिये माननीय डा० सम्पूर्णानन्द जी से अनुरोध किया गया है ? यदि हां, तो क्या उन्होंने इस को स्वीकार कर लिया है ?

डा० का० ला० श्रीमाली : जी हां, उन्होंने इस का अध्यक्ष होना स्वीकार कर लिया है ।

Raja Mahendra Pratap: When our hon. Prime Minister himself is thinking in terms of One World, is it not better that we develop world consciousness among the students?

Dr. K. L. Shrimali: One world consists of different nations.

श्री पहाड़िया : मैं जानना चाहता हूं कि क्या इस तरह की योजना बनाते समय इस सिलसिले में उन संस्थाओं की सहायता ली जायगी और उन को सुविधायें दी जायेंगी, जो कि विद्यार्थियों में अनुशासन की भावना लाने के सम्बन्ध में काम कर रही हैं, जैसे अणुव्रत विद्यार्थी परिषद् है, ताकि वे भी इस क्षेत्र में सहयोग दे सकें ।

डा० का० ला० श्रीमाली : यह तो वह कमेटी तय करेगी कि वह कैसे कार्य करे ।

डा० गोविन्द दास : चूंकि यह कमेटी बहुत महत्वपूर्ण होगी, इसलिये क्या इस के टर्म्ज़ आफ़ रेफ़रेंस को तय करने के लिये भिन्न भिन्न राज्य सरकारों और भिन्न भिन्न शैक्षणिक संस्थाओं से भी सलाह ली जायगी ?

डा० का० ला० श्रीमाली : राज्य सरकारों से सलाह ली गई थी । पिछली दफ़ा एडूकेशन मिनिस्टर्ज़ कांफ़रेंस में इस मामले पर काफ़ी विस्तार के साथ विचार किया गया था और सब की यह राय थी कि जितनी जल्दी हो सके, इस सम्बन्ध में कार्यवाही की जाये ।

डा० गोविन्द दास : क्या भिन्न भिन्न शिक्षण-संस्थाओं से इस सम्बन्ध में—टर्म्ज़ आफ़ रेफ़रेंस के सम्बन्ध में राय ली गई थी ?

डा० का० ला० श्रीमाली : अगर हज़ारों संस्थाओं से पूछने जायेंगे, तो बड़ा मुश्किल होगा । तब तो यह कमेटी कभी बैठेगी भी नहीं ।

Durgapur Coal Washery

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*1409. { **Shri Morarka:** / **Shri Nathwani:**

Will the Minister of **Steel, Mines and Fuel** be pleased to state:

(a) what is the installed capacity of the coal washery at Durgapur;

(b) whether production is according to its capacity; and

(c) if not, the reasons for the same?

The Minister of Steel, Mines and Fuel (Sardar Swaran Singh) (a) 360 tons per hour or 800,000 tons per year.

(b) and (c). The washery has already washed upto 75 per cent. of its monthly rated capacity though it started washing only in August 1960. The main reason for its not being worked to the full capacity is the excessive supply of ¼" coal in the feed.

Shri Morarka: In answer to a previous question it was stated that from the inception till 30th November 1960 the total production was only 98,000 tons. And this commenced on 2nd April 1960. So during the eight months the production was only 98,000 tons. May I know the reason for the great shortfall in production, and also how the supply to the Durgapur steel works had been made?

Sardar Swaran Singh: The hon. Member is referring to old dates. I would like to give some figures about the present rate of production. In January 1961 it was 50,881 tons; in February 1961 it was 39,698 tons; and in March 1961 it was 45,403 tons. The main reason for its not washing to its requisite capacity today is that the entire coke oven plant in Durgapur has not yet been commissioned. So it is washing to meet the requirements of Durgapur, and the project authorities are satisfied that the washery is working satisfactorily. And it can produce at the rate of 360 tons of washed coal per hour, that is, at the rate of 8 lakh tons of washed coal per year.

Shri Morarka: May I know the total cost of this washery and whether it has been taken over from the contractors?

Sardar Swaran Singh: For that I would require notice, because that does not flow from this question.

Shri Morarka: May I know whether it is not a fact that for some time, for want of coal the production in Durgapur has suffered, and also whether the figure of 8 lakh tons given by the hon. Minister is for a eight-hour shift or sixteen hours shift?

Sardar Swaran Singh: There were difficulties with regad to the coal supply. But that is a matter of several months now. For the last several months now, as I have already informed the House, coal supplies to Durgapur as also to other plants have been satisfactory. It is not possible to say if production at

any stage really suffered for want of coal. There may be temporary shortages and the like, but by and large the situation in Durgapur has been well in hand so far as coal supplies are concerned.

With regard to the rated capacity, I have given the rate of 360 tons per hour. So, if it works for eight hours, then 360 tons multiplied by eight will be the quantity. If it works for sixteen hours, then we can double that figure. That is why I gave the rated capacity per hour.

Mr. Speaker: He wants to know whether in fact it is working for eight hours or sixteen hours, that is double shift. He wants to know what is happening in the factory at present.

Sardar Swaran Singh: At present the washery is working to give about 1,800 tons washed coal per day.

Mr. Speaker: For how many hours does it work?

Sardar Swaran Singh: I have not got the figure with me here.

Mr. Speaker: Next question.

ब्रेल लिपि की पुस्तकें

*१४१०. **श्री विभूति मिश्र** : क्या शिक्षा मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या सरकार ने नेत्रहीन लोगों के लिये ब्रेल लिपि में किताब छपाने की कोई व्यवस्था की है;

(ख) यदि नहीं, तो क्या सरकार इस सम्बन्ध में सोच रही है;

(ग) क्या सरकार कोई ऐसा पुस्तकालय खोलने का विचार कर रही है जिसमें नेत्रहीन विद्यार्थियों के लिये ब्रेल लिपि में छपी किताब रखी जाय और सारे देश में उधार दी जायें; और

(घ) यदि हां, तो इसका पूर्ण विवरण क्या है ?

शिक्षा मंत्री (डा० का० ला० श्रीमाली): (क) जी, हां ।

(ख) प्रश्न ही नहीं उठता ।

(ग) जी, हां ।

(घ) ब्यौरे तैयार किये जा रहे हैं ।

I shall read it in English also.

(a) Yes, Sir.

(b) Does not arise.

(c) Yes, Sir.

(d) Details rae being worked out.

श्री विभूति मिश्र: मैं यह जानना चाहता हूं कि ब्रेल लिपि की पुस्तक तैयार करने के सम्बन्ध में सरकार ने कितने खर्च का अन्दाजा लगाया है और क्या वह उन पुस्तकों को सारे देश में हमारे अन्धे भाइयों को देने का इन्तजाम करने के बारे में सोच रही है ।

Dr. K. L. Shrimali: As far as this press is concerned, from 1956-57 till 31st January 1961, a sum of Rs. 2,81,311 was spent on the administration of the press and the production of Braille literature; and in the Third Plan a provision of Rs. 5 lakhs has been made for the expansion of the press.

श्री तिभूति मिश्र : जो किताबें निकलेंगी, क्या वे सारे देश में अन्धे विद्यार्थियों को उपलब्ध हो जायेंगी ?

Dr. K. L. Shrimali: Yes, Sir, that is the idea that books from this National Braille Library will be lent to all the students free of charge and to blind readers throughout the country; and to out-station blind readers the books will be sent post-free.

Shri Sadhan Gupta: All the arrangement that has been made for printing books in Braille is one centralised Braille press; and it is inadequate, as it is clear from the fact that although it is now the Tagore Cente-

nary no book on Tagore has been printed from the Braille press. In view of this inadequacy may I know whether regional Braille presses are going to be set up in different regions to cater to the needs of readers in those languages?

Dr. K. L. Shrimali: At present there is no proposal to set up regional presses. In fact, at the Central Braille Press books in different regional languages are being produced. I might inform the hon. Member that so far as we have published books in Bengali, Gujarati, Marathi, Punjabi, Tamil, Telugu and in English, in addition to books in Hindi.

Shri Sadhan Gupta: I understand that only a primer has been published in Bengali. For instance, no book on Tagore has been published yet.

Dr. K. L. Shrimali: The work has started, and I am quite sure that in course of time, as we expand the facilities, more books will be published. To start with, we can only publish primers because that is the beginning.

Shri R. Narayanasamy: May I know whether any journal is being published in Braille?

Dr. K. L. Shrimali: They are also publishing a quarterly journal known as 'Alok'.

Affiliation of Colleges

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*1411. { **Shri Ram Krishan Gupta:** / **Giani G. S. Musafir:**

Will the Minister of **Education** be pleased to state:

(a) whether Government have considered the suggestion of the University Grants Commission regarding introduction of a uniform system in all universities for the affiliation of Colleges; and

(b) if so, the result thereof?

The Minister of Education (Dr. K. L. Shrimali): (a) Yes, Sir.

(b) The suggestions have been brought to the notice of all universities by the University Grants Commission.

Shri Ram Krishan Gupta: May I know whether the universities concerned have expressed their views so far, and if so, the names of the universities whose views have been ascertained?

Dr. K. L. Shrimali: This information is not available; we are collecting the information with regard to this matter.

Shri Hem Barua: In view of the fact that the adoption of a uniform system of affiliation is going to affect the autonomy of the universities, may I know the specific reasons for trying to standardise affiliation in this manner?

Dr. K. L. Shrimali: The hon. Member, I am afraid, has his own ideas with regard to the autonomy of the universities. All this is done in consultation with the universities. The University Grants Commission itself is represented by various educationists and vice-chancellors, and all the work that is done is normally done in consultation with the universities. It is not imposed on the universities. The University Grants Commission, after collecting the data, came to the conclusion that there was great variation with regard to the practices for affiliating colleges. In order that they might attain a certain standard, it was felt that it would be better if there could be a uniform standard, so that we can have uniform academic standards in all the colleges. The commission came to the conclusion that the practices which were prevalent in the universities of Andhra, Delhi and Madras were more or less satisfactory than those of other universities, and, therefore, the University Grants Commission has requested these other universities also to adopt these methods. There is no question of infringing the autonomy of these other universities.

Salaries of Teachers of Universities and Colleges

*1412. **Shri Pahadia:** Will the Minister of **Education** be pleased to state:

(a) whether the University Grants Commission has suggested in its report to appoint a suitable body in consultation with the State Governments to examine proposals for the improvement of teachers' salaries of schools, colleges and universities;

(b) if so, whether Government propose to consider this suggestion; and

(c) if so, what action has been taken in this regard?

The Minister of Education (Dr. K. L. Shrimali): (a) Yes, Sir.

(b) and (c). The matter is under consideration.

Shri Pahadia: May I know whether it is a fact that because of low salaries, the most brilliant persons are not coming to the educational institutions, and if so, whether Government propose to raise the salaries of college and university professors so that they may be on a par with those of I.A.S. and P.C.S. officers?

Dr. K. L. Shrimali: Government have already taken various measures and will cotninue to take further measures to improve the salary-scales of teachers at all levels, so that we can attract talented people to the teaching profession. It is a fact that at present, on account of low salaries, talented people are not attracted towards the profession, and even when they are attracted, they leave the profession.

Shri C. R. Pattabhi Raman: Will Government expedite proposals for building houses for the teachers near the institutions, as an extra attraction in addition to increasing the salaries?

Dr. K. L. Shrimali: This is a suggestion for action.

Shri Pahadia: May I know whether Government also propose to create an all-India cadre of these teachers of universities and colleges in particular?

Dr. K. L. Shrimali: As far as the universities are concerned, they have attempted to bring all the salaries in all the universities to a certain standard. I am afraid that it may not be possible to have one cadre for all the university teachers, because, after all, it is the State Governments which have to finance them.

Shri Thanu Pillai: The hon. Minister has stated that the scheme for improved scale of pay for university teachers is under consideration. May I know whether there is already a scale of pay prepared by the University Grants Commission, and if so, whether that has been implemented by all the universities, and if not, which universities have not implemented, and for what reasons?

Dr. K. L. Shrimali: I am not sure whether I have this information, but most of the universities have implemented. The salary scales of teachers of the various State universities where the scales were lower than those mentioned above were accordingly upgraded. These are the States which upgraded these salaries. There are about 21 such institutions. Would the hon. Member like me to read out the names here? Or, I shall place them on the Table of the House.

Shri Thanu Pillai: I only wanted to know the names of the universities which have not yet implemented it.

Dr. K. L. Shrimali: There are certain universities which have not yet implemented.

Mr. Speaker: In what universities is the hon. Member interested?

Shri Thanu Pillai: Madras University.

Mr. Speaker: What about Madras University?

Dr. K. L. Shrimali: I shall place the full statement on the Table of the House. The difficulty is that some of the States and the universities and

colleges have not been able to find matching funds. The University Grants Commission gives 80 per cent. of the contribution towards the increased expenditure, and the other 20 per cent. has to be found either the State Governments or by the universities or by the affiliated colleges. Wherever the universities and affiliated colleges have failed to do so, there, these scales have not been implemented. That is the main reason.

Shri Thanu Pillai: The hon. Minister has said that the percentage of contribution by the Centre is 80 per cent. But my information is that it is only 50 per cent. by the Centre, and 25 per cent. has to be met by the State, and 25 per cent. by the management. The managements are prepared to pay their 25 per cent. of the contribution, but because the Madras University or the Madras Government has not agreed to give the 25 per cent. contribution, the whole scheme is held up. I would like to be enlightened on this.

Mr. Speaker: The hon. Member wants to know whether it is a fact that only 50 per cent. is given by the Centre.

Dr. K. L. Shrimali: I would like the hon. Member to take it up with the Madras Government. As I said, the University Grants Commission gives grants on a matching basis. That is, they give their contribution, but if the State Government cannot find their contribution, then, naturally, they cannot increase the salaries. Therefore, this question has to be taken up with the Government of Madras and not raised here.

Shri Thanu Pillai: What about the percentage? Is it 80 per cent. or 50 per cent?

Mr. Speaker: This is matching grant; therefore, it should be 50 per cent.

Dr. K. L. Shrimali: I am saying this from memory, but as far as I am aware, the Commission agreed to meet 80 per cent. of the expenditure.

Shri Thanu Pillai: If it is 80 per cent., then we would meet it even without Government contributing anything.

Mr. Speaker: Very well; let the hon. Member take it up with his counterparts in the Madras Legislative Assembly.

सेठ अचल सिंह : मैं जानना चाहता हूं कि क्या यूनिवर्सटी ग्रांटस कमिशन डिस्ट्रिक्ट बोर्ड और म्यूनिसिपल बोर्ड के स्कूल टीचर्ज की तनख्वाहों के बारे में भी विचार करेगा?

डा० का० ला० श्रीमाली : जी नहीं, इसका ताल्लुक यूनिवर्सटीज से ही है।

Shri Ansar Harvani: May I know whether Government have taken any action to standardise salaries in the Centrally controlled universities like Aligarh, Banaras and Shantiniketan and if so, what it is?

Dr. K. L. Shrimali: The salaries of professors, lecturers and readers in the Central universities are the highest in the country; and recently, that is, from the 1st of April, the grades have been further revised, as the House is aware.

Shri D. C. Sharma: So far as the Central universities are concerned, the salary scales of teachers have been upgraded. May I know whether something similar is being done so far as the teachers of the non-Central universities are concerned, and also whether something is being done for the teachers of affiliated colleges of these universities?

Dr. K. L. Shrimali: The University Grants Commission is giving assistance not only to the State universities but also to the affiliated colleges for improvement of the salary scales. The position is that, recently the University Grants Commission has revised the salary scales of professors and readers and teachers in the Central universities. The proposal with regard to the increase in the other universities also is under consideration, and Government are sympathetic; if the matching funds are

available from the State Governments or the universities, I think the University Grants Commission will consider this question sympathetically.

Shri D. C. Sharma: For the colleges also?

Dr. K. L. Shrimali: Yes, for the colleges also.

Shri Hem Barua: Is it a fact that an increase in the salary scale for teachers of the affiliated colleges was recommended by the University Grants Commission some five years back, and some States are yet to implement them, and on the top of that, these States have come out to impose some sorts of conditions on the teachers? May I know whether Government are aware of this fact that conditions are being imposed on the teachers by the State Governments for implementing the salary scales prescribed by the University Grants Commission.

Dr. K. L. Shrimali: I am not aware of this. If the hon. Member has any information, he will kindly pass it on to me.

Shri B. K. Gaikwad: May I know the educational qualifications of these teachers of the universities and colleges, their pay scales? May I also know the pay scales of persons with the same qualifications who are appointed in other departments of Government?

Dr. K. L. Shrimali: These are much wider questions and I will have to carry out a survey in order to answer them.

Shri Ajit Singh Sarhadi: May I ask if the Education Ministry has evolved any model formula containing the basic pay of the private teachers in secondary schools and high schools for the guidance of the States?

Mr. Speaker: This relates to Universities and colleges.

Dr. K. L. Shrimali: They have fixed up certain grades and requested the Universities to give those grades in al the Universities.

Shri Shivananjappa: May I know whether a suggestion has been made by the U.G.C. to the Mysore University that the posts of lecturers should be gazetted?

Dr. K. L. Shrimali: This is a different question; I have no information on that point.

Dr. Vijaya Ananda: May I know whether these benefits would be extended to teachers in village schools also?

Dr. K. L. Shrimali: The University Grants Commission deals only with Universities. As far as teachers are concerned, there are separate schemes in the Ministry under which we are giving assistance to State Governments for improving the status and salaries of the school teachers. At the University stage, the University Grants Commission deals with the salaries of University teachers.

Interest on Postal Savings Bank Deposits

*1414. **Shri Raghunath Singh:** Will the Minister of Finance be pleased to state whether Government are considering to increase the rate of interest on the postal savings bank deposits as the rates on the other bank deposits have been increased which is likely to affect the postal deposits?

The Deputy Minister of Finance (Shrimati Tarkeshwari Sinha): Interest rates on Post Office Savings Bank deposits are linked with the interest rate structure of Government loans and other Savings Schemes prevailing from time to time. These cannot therefore be altered with every rise and fall in the interest rates allowed by commercial banks.

श्री रघुनाथ सिंह : मैं जानना चाहता हूं कि जब कि दूसरे बैंकों ने अपना रेट आफ इंटरेस्ट ५ पर सेन्ट कर दिया है और पोस्टल सेविंग्स बैंक का रेट २॥ परसेन्ट ही है तो क्या उसका असर यह नहीं होगा कि लोग पोस्ट आफिसों से तमाम रुपया निकाल कर दूसरे बैंकों में रखेंगे ? ऐसी हालत में पोस्टल सेविंग्स

की उन्नति के वास्ते आप क्या करना चाहते हैं ताकि लोग उस में रुपया इकट्ठा करायें ?

श्रीमती तारकेश्वरी सिन्हा : हमारे जो आंकड़े हैं उन से माननीय सदस्यों को पता चलेगा कि पिछले साल पोस्ट आफिस सेविंग्स बैंक में काफी वृद्धि हुई । इसलिये इस से हम यह नतीजा नहीं निकाल सकते हैं कि इंटरेस्ट रेट अगर बैंकों ने बढ़ा दिये हैं तो उस से पोस्ट आफिस की सेविंग्स में कोई कमी हो गई है ।

श्री रघुनाथ सिंह : मेरा कहना यह है कि बैंक का जो रेट है उस को बढ़े हुए अभी एक ही महीना हुआ है और माननीय मंत्री एक बरस पहले का हवाला दे रहे हैं । एक वर्ष पहले पोस्ट आफिस का रेट २।। परसेन्ट था और दूसरे बैंकों का २ परसेन्ट था । चूंकि पोस्टल सेविंग्स बैंक का रेट दूसरे बैंको से ज्यादा था इसलिये लोग उस में रुपया जमा करवाते थे । लेकिन चूंकि अब दूसरे बैंकों के रेट बढ़ा दिया है इस लिये लोग क्या अब उन में रुपया नहीं रखेंगे बजाय पोस्टल सेविंग्स बैंक के ? इस के लिये आप क्या करेंगे ?

I am not asking about the past; I am asking for the future.

श्रीमती तारकेश्वरी सिन्हा : अभी हमारे पास आंकड़ों की कोई ऐसी बुनियाद नहीं है जिस से हम उस नतीजे पर पहुंचें जो कि माननीय सदस्य कह रहे हैं । फिर यह जो बैंकों के रेट बढ़ाये गये हैं वह सिर्फ पोस्ट आफिस सेविंग्स बैंक से ही ताल्लुक नहीं रखते हैं, बल्कि लोन पालिसीज, सिक्योरिटीज और नैशनल सेविंग्स वगैरह के जो प्रोग्राम हैं, उन से उन का ताल्लुक है । इस लिये केवल इस के बारे में कोई ऐसी बात नहीं की जा सकती ।

Accident in Himachal Pradesh

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*1416. **Shri Ram Krishan Gupta:**
Shrimati Ila Palchoudhuri:
Shri S. N. Ramaul:
Shri Assar:

Will the Minister of **Home Affairs** be pleased to state:

(a) whether it is a fact that a whole gang of about 25 P.W.D. labourers were buried alive under a rock while engaged in the construction of the Hindustan Tibet road at Kercham about 150 miles from Simla during the third week of March, 1961; and

(b) if so, full details of the incident?

The Minister of State in the Ministry of Home Affairs (Shri Datar): (a) No.

(b) Does not arise.

श्री भक्त दर्शन : चाहे यह घटना ठीक न हो, लेकिन क्या गवर्नमेंट के ध्यान में यह बात आई है कि इस तरह की घटनायें अक्सर होती रहती हैं ? आज ही के समाचारपत्र में यह छपा है कि एक ओवरसिअर दब गया है । इस तरह की जो घटनायें होती रहती हैं उन के लिये क्या किया गया है ?

Shri Datar: May I point out to the hon. Member that this piece of news, which was wrong, was published on March 22? Immediately, the State Government issued a contradiction which appeared in the Press on the 25th of March. The news is abosolutely incorrect.

Shri Assar: Toady also some news has appeared about the workers, some employees, being buried alive when working on the road works. May I know whether any....

Mr. Speaker: Which one?

Shri Assar: Today there is a news item that 3 labourers were buried alive.

Mr. Speaker: So, they have reduced it from 25 to 3?

Shri Assar: Today there is a news item which has appeared....

Shri Datar: The hon. Member has asked a question referring to an incident in March. About that incident the news appeared on the 22nd March.

It was contradicted on the 25th March, 1961. Therefore, so far as that particular incident is concerned, may I point out that it is entirely unfounded?

Indian Participation in Oil Companies

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*1417. **Shri P. C. Borooah:**
Shri Osman Ali Khan:
Shri Aurobindo Ghosal:

Will the Minister of **Steel, Mines and Fuel** be pleased to state:

(a) whether Government have of late been making efforts to persuade the three foreign oil Companies in India—the Burmah Shell, The Stanvac and Caltex—to invite Indian participation in their ordinary share capital; and

(b) if so, how far these efforts have been successful?

The Minister of Mines and Oil (Shri K. D. Malaviya): (a) and (b). The question of Indian participation in the ordinary share capital does not arise in the case of the three Companies operating the three coastal refineries because, though they are incorporated in India, the Refinery Agreements provided that all the ordinary share capital would be contributed by the foreign Companies promoting them.

As regards the Burmah Shell, Stanvac and Caltex marketing companies, they are all private limited companies incorporated outside India and are entirely owned by their principals. Some of these companies are understood to be examining the question of incorporating their marketing organisations as Indian companies.

Shri P. C. Borooah: May I know whether this effort to persuade the three oil companies to invite Indian participation in their share capital is in pursuance of a general policy applicable to all companies or is it only applicable to these companies?

Shri K. D. Malaviya: This involves the question of modifying the agreements which were reached some time back between the Government of India and the Indian Refinery companies. They are not willing to modify their agreement. It is now for us to decide whether we can do anything alternatively in this connection.

Shri Sadhan Gupta: May I know whether, far from trying to invite Indian participation, one of the companies, Caltex, has already given notice to some Indian employees to quit because in their present line of thinking they think it to be unnecessary to retain their services?

Mr. Speaker: That relates to employees and not share capital.

Shri K. D. Malaviya: When the company is administered by a set of people, it is for them to take a decision whether they want to employ a group of Indian people or not. We do not give an undertaking. (*Interruptions*).

Shri V. P. Nayar: Indians or not.

Mr. Speaker: Some time ago, when Shri Krishnamachari was here as the Commerce Minister, I believe, the question was put here, from time to time, why the various foreign companies operating here and taking our money should not take an increased number of Indian employees. He was giving statements from time to time; and he said that he was persuading and so many people have accepted and so on. What is the contradictory step that is going on now?

Shri Braj Raj Singh: The Estimates Committee have also made that observation.

Shri K. D. Malaviya: So far as this specific question with regard to the reduction of Indian employees is concerned, it does seem to be perfectly right for them to feel that they may not be justified—I am not justifying their action—in view of the pressure from the Government of India to reduce the prices of petroleum products and all that, that they can no longer retain the army of workers on

such salaries as they were paying previously. With the reduction in the prices of petroleum products they may feel that they can no longer retain these people. Therefore, they are thinking of rationalisation.

Mr. Speaker: The hon. Members want to know why the axe has fallen only on Indians.

Shri K. D. Malaviya: It is for them to do that. I do not know whether it has actually fallen.

Mr. Speaker: I remember fully that on a prior occasion the matter was raised on the floor of this House that every other country imposes an obligation on foreign companies which are operating in those countries from outside and insists upon their taking some of their nationals in the employment of these companies. The money is raised here and if we have no control over them, the nationals will be eliminated from those companies gradually and those from foreign countries will come.

Shri K. D. Malaviya: May I explain? A very large number of employees in the Caltex or any other company are Indians. A few top people who are there are said to be technical experts. So, most of the action that they have to take inevitably falls on the large category of workers who are from our own country. And, now, when they want to take any step in connection with retrenchment, naturally, they say that retrenchment has to take place on the Indian side. I also learn that there was some consideration to reduce expenditure at the top in the Caltex.

Shri Hem Barua: What are the specific reasons for effecting this retrenchment? May I know whether the Caltex has informed our Government about them—specific reasons for retrenchment?

Mr. Speaker: The hon. Members are asking as to why they are retrenching, particularly the Indian employees.

Shri K. D. Malaviya: We have not asked them; we have no specific information with regard to some retrenchments that they are proposing.

Shri T. B. Vittal Rao: In view of the fact that these companies are not willing to modify their agreement, will the Government consider nationalisation of these refineries?

Shri K. D. Malaviya: Government is not considering nationalisation of these refineries.

Shri T. B. Vittal Rao: Why not?

Mr. Speaker: The hon. Members cannot force their opinions on the Government.

Shri Hem Barua: In view of the fact that this company is incorporated outside our country, may I know whether the Government is getting a complete and detailed statement of the audited accounts as also a statement of profits?

Shri K. D. Malaviya: The audited accounts of the companies which are registered in India are received by us. But so far as foreign companies are concerned, we do get their annual report that which includes the accounts also.

Shri Braj Raj Singh: In view of the attitude of these companies regarding the retrenchment of the Indian employees and also with regard to their price structure of petroleum products, may I know whether the Government will put some checks on these companies, short of nationalisation, to achieve the desired objective?

Mr. Speaker: Hon. Members want the hon. Minister to take interest in the matter and see that the employees' conditions are bettered. Every foreign country which is invited brings in foreigners here and to that extent unemployment increases in our country.

Shri K. D. Malaviya: We are doing our level best to see that foreigners do not come and our own boys perform the functions in the refineries

and I suppose we have also succeeded in having the largest number of Indians in the companies. But if they have to make some retrenchment obviously the advantages or disadvantages will fall on these employees.... (*Interruptions*).

Mr. Speaker: Next question.

Zila Parishad Elections in Orissa

*1419. **Shri Kumbhar:** Will the Minister of **Home Affairs** be pleased to state:

(a) whether it is a fact that the ex-M.L.As. of the dissolved Legislative Assembly of Orissa State have tendered their votes as M.L.As. of that Legislative Assembly in the election of the Chairmen and Vice Chairmen of various Zila Parishads in that State after the proclamation of the President's Rule on the 25th February, 1961 in that State; and

(b) whether such election would be declared unconstitutional by the Central Government and re-election would be held to elect new chairmen and vice-chairmen according to the Orissa Zila Parishad Act, 1959?

The Minister of Home Affairs (Shri Lal Bahadur Shastri): (a) Yes.

(b) No.

Shri Kumbhar: May I know Sir, whether all the ex-M.L.As. of the Legislative Assembly were able to cast their votes without any objection and if not, whether the ex-M.L.As. would be allowed to cast their votes later on?

Shri Lal Bahadur Shastri: That is what I have said. Legally, I am informed, they are entitled to cast their votes.

Shri Pahadia: May I know whether certain objections have been filed by some candidates who were defeated there? What is the number of such objections?

Shri Lal Bahadur Shastri: I have no information.

Shri P. K. Deo: Sometime back, some ordinances were promulgated by the Governor to regularise the various irregularities that crept into the election of the zila parishad and those ordinances could not be validated by the Orissa Legislative Assembly. May I know what will be the fate of these ordinances now that the legislative power has been assumed by the Centre?

Shri Lal Bahadur Shastri: This does not concern this question; the hon. Member can raise it separately.

दिल्ली में गृह कर

*१४२१. श्री नवल प्रभाकर : क्या गृह-कार्य मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि जिन व्यक्तियों को पुनर्वास मंत्रालय द्वारा बनाये गये मकान दिये गये है उन्हें दिल्ली नगर निगम एक्ट की भावना के विरुद्ध दिल्ली नगर निगम द्वारा गृह-कर चुकाने के लिये नोटिस दिये जा रहे हैं;

(ख) यदि हां, तो इस में क्या औचित्य है;

(ग) क्या इस बारे में लाजपत नगर में कोई घोषणा की गई है; और

(घ) यदि हां, तो यह घोषणा किस की आज्ञा से की जा रही है ?

गृह-कार्य मंत्रालय में राज्य-मंत्री (श्री बातार) : (क) और (ख). पुनर्वास मंत्रालय द्वारा विहित शर्तों के अधीन जिन व्यक्तियों को मकान दिये जाते हैं उन्हें सम्पत्ति के स्वामित्व का अधिकार उसी दिन से प्राप्त हो जाता है जिस दिन से उन्हें अस्थायी अधिकार मिलता है और सारे स्थानीय करों का दायित्व भी उन्हीं पर आ जाता है। इन करों में सम्पत्ति कर भी शामिल है। इसलिये निगम द्वारा दिये गये नोटिस दिल्ली नगर निगम अधिनियम, १९५७ की भावना के विरुद्ध नहीं हैं।

(ग) और (घ). वित्तीय वर्ष समाप्त हो रहा था। अतः सामान्य व्यवहार के अनुसार निगम अधिकारियों ने निगम के नई दिल्ली क्षेत्र में जनता की जानकारी के लिये लाउड-स्पीकरों द्वारा घोषणा कर दी कि म्यूनिस्पैलिटी के सम्पत्ति कर तथा अन्य शेष करों का भुगतान ३१ मार्च, १९६१ तक हो जाना चाहिये। इस क्षेत्र के अन्तर्गत लाजपत नगर भी आ जाता है।

I shall read it in English also.

(a) and (b). Under the terms of allotment prescribed by the Ministry of Rehabilitation the rights of ownership of the property accrue to the allottees from the date provisional possession is transferred to them and they are made liable to pay all local taxes, including property tax. The notices served by the Corporation are therefore not in violation of the provisions of the Delhi Municipal Corporation Act, 1957.

(c) and (d). As the financial year was coming to a close, the Corporation authorities, in accordance with the usual practice, announced to the public by means of loud-speakers throughout the New Delhi Zone of the Corporation (including Lajpat Nagar) that property and other taxes due to the Municipality should be paid before the 31st March, 1961.

श्री नवल प्रभाकर: इस तरह की पुनर्वास मंत्रालय की सम्पत्तियां दिल्ली के दूसरे हिस्सों में भी हैं। मैं जानना चाहता हूं कि वहां इस तरह का एनाउंसमेंट क्यों नहीं किया गया, लाजपतनगर में खास तौर से क्यों किया गया?

Shri Datar: I have not got the exact details. But I may point out that there was some agreement between the parties and the Rehabilitation Ministry, according to which the moment they obtained possession, they became liable to pay to Municipal Corporation the taxes.

Grade IV Employees of Orissa Government

1422. Shri P. G. Deb: Will the Minister of **Home Affairs** be pleased to state:

(a) whether 27 Grade IV officers of Orissa State Government have been served with notices terminating their services from the Political and Services Department;

(b) if so, the reasons therefor; and

(c) the action taken to avert the retrenchment?

The Minister of State in the Ministry of Home Affairs (Shri Datar): (a) and (b). Yes. Consequent upon the dissolution of the Ministry, 29 temporary Class IV employees attached to former Ministers have become surplus and have been served with notices for termination of their services.

(c) The departments of Government, heads of departments and other offices of the State Government have been asked not to fill up the vacancies arising in their offices until the surplus staff of Ministers' establishment are adjusted.

Shri P. G. Deb: Sir, I am surprised. In view of the fact that the mid-term elections are at hand, why did not the Government wait until formation of the new Ministry?

Shri Datar: What is proposed to be done is that, though notices had been given, some of them could be absorbed against certain posts which would not be allowed to be filled from outside.

Shri Chintamoni Panigrahi: May I know whether in all cases where vacancies arise, the first preference would be given to these 27 persons?

Shri Datar: Attempts would be made to accommodate these people first.

Shri Supakar: Since the time interval between the dissolution of the Ministry and the formation of the new Ministry after the next general

elections would be only a few months, what is the necessity of discharging these people and again, perhaps after a month or two, advertising for the same posts and asking these people to go from pillar to post?

Shri Datar: The hon. Member will kindly take into account the financial implications of keeping these people in service.... (*Interruptions*).

Mr. Speaker: These are all suggestions for action. Can the hon. Members say that these people must be kept on pension? They are not being sent home; they are trying to provide for them in other offices. Next question.

12 hrs.

Shri S. M. Banerjee—agsent; Shri Jagdish Awasthi—absent; Shri Punnoose—absent; Shri Tangamani—absent; Shri Ram Krishan Gupta—absent. Next question.

Shri Hem Barua: It may be taken up, Sir. It is a very important question, concerning the demands of insurance employees.

Mr. Speaker: It is not usual to allow a question in cases where the Members who had given notice of the question are absent. Even one hon. Member, out of the five hon. Members, is not present here. Why should I allow the hon. Member the privilege of having this question answered when all the five of them are not present here?

Now, there is a Short Notice Question.

RE. MOTIONS FOR ADJOURNMENT

Shri Muhammed Elias (Howrah): There are two Adjournment Motions and I want to know your decision on them. One of them was....

Mr. Speaker: There is a Short Notice Question. Let the hon. Member wait.

Raja Mahendra Pratap (Mathura): I beg to withdraw from the House because my Adjournment Motion, which is very important from the moral standpoint, has been rejected by the hon. Speaker. It deals with the posterity of the nation. (*Interruptions*).

(*Raja Mahendra Pratap then left the House*)

Mr. Speaker: Order, order. The hon. Member is an exception to the House!

Some Hon. Members: He has come back.

Mr. Speaker: It is a token walk-out! Let us take the Short Notice Question.

SHORT NOTICE QUESTION AND ANSWER

Increase in Rates of Kerosene Oil

S.N.Q. 14. Shri B. N. Kureel: Will the Minister of **Steel, Mines and Fuel** be pleased to state whether it is a fact that on the 1st March, 1961, the Burmah Shell Company, Standard Vacuum Oil Company and Caltex sent telegrams to their agents all over the country asking them to increase Kerosene Oil rates by Rupees Thirty and 92 nP. per Kl. with effect from the 2nd March, 1961?

The Minister of Mines and Oil (Shri K. D. Malaviya): Yes, Sir. Consequent upon the statutory increase in the Central Excise/Customs Duties on Superior Kerosene Oil with effect from 1-3-61, by Rs. 31.35 per kilolitre at 15°C, the Oil Companies, who are entitled to recover it from the consumers in terms of the *ad hoc* agreement on the pricing of major petroleum products, converted the same to Rs. 30.92 per kiloltre at the natural temperature at which the product is being sold in the country and increased their selling prices of Superior Kerosene correspondingly. The Oil Companies, however, reduced their selling prices by Rs. 15.46 per kilolitre with effect from 18-3-61 following the statutory decrease by Rs. 15.68 per kilolitre at 15°C, with effect from the same date.

Shri Bishwanath Roy: May I know whether the Government was consulted in anyway by the foreign oil companies before they increased the rate of oil?

Shri K. D. Malaviya: This is a statutory provision in the agreement, namely that whenever there is some increase in the customs or excise duty, which was announced by the Government on the 1st March, a corresponding increase would be announced by the companies. So, it is all in order. According to the existing practice, whenever there is any increase of excise duty on the prices of these items, it is made good by the increase announced by the oil companies.

श्री बैं० ना० कुरील : किरोसीन आयल के दामों में बढ़ोत्री पहली अप्रैल से ड्यू होनी चाहिए थी ?

श्री के० दे० मालवीय : जी नहीं पहली मार्च से ड्यू हो जानी चाहिए चंकि गवर्नमेंट ने उसमें बढ़ोत्री पहली मार्च म कर दी थी। बाद में गवर्नमेंट ने सुपीरियर किरोसीन आयल पर ड्यूटी कम कर दी तो उतनी ही कम्पनियों ने फिर कमी करके अपने रेट्स का ऐलान कर दिया। पहले करीब ३१ रुपया प्रति किलोलिटर बढ़ाया गया था लेकिन बाद में गवर्नमेंट ने उसमें १५ रुपये प्रति किलोलिटर घटा दिया तो तेल कम्पनियों ने भी कीमतें घटा दीं।

श्री भ० दी० मिश्र : यह रेट्स नये बजट से बढ़ाये गये है और वह पहली अप्रैल से लागू होते हैं तो ऐसी अवस्था में पहली मार्च से उन रेट्स को बढ़ाने की सूचना क्यों दी गई ?

श्री के० दे० मालवीय : जिस दिन पार्लियामेंट में इनकी बढ़ोत्री का ऐलान किया गया उसी दिन से यह दरें बढ़ती हैं।

श्री बलराज सिंह : अभी मंत्री महोदय ने बतलाया कि यह सुपीरियर किरोसीन आयल की दर करीब ३१ रुपया प्रति किलोलिटर १८ मार्च तक यह तेल कम्पनियां कंज्यूमर्स से वसूल करती रहीं, उसके बाद जब सरकार की तरफ से इसके दामों में कमी का ऐलान हुआ तो उन्होंने भी उसी हिसाब से इसकी दर घटा दी, मैं जानना चाहता हूं कि इन १८ दिनों के अन्दर बढ़ी हुई दर से इन तेल कम्पनियों ने जो अधिक रुपया वसूला है, उस अधिक रुपये को उनसे वापिस लेने की क्या कार्यवाही हो रही है या उसको वह अपने आपसे वापिस करने को तैयार हैं ?

श्री के० दे० मालवीय : वह कम्पनियों के पास नहीं रहेगा वह तो सरकारी खजाने में आ जायेगा। चुंकि गवर्नमेंट ने ३१ रुपये किलोलिटर का ऐलान किया तो उन्होंने उस कीमत वसूल की और जब सरकार ने उसमें १५ रुपये घटा दिये तो उन्होंने भी अपनी दर में १५ रुपये की कमी करदी इस संबंध में तो तेल कम्पनियां हमारी तरफ से तेल के दामों में कमी या बढ़ोत्री करती हैं।

Shri Hem Barua: In view of the fact the foreign oil companies exist here not because of any affection for us but in their own interests, whenever there is an increase like this and then there is a squeezing of the consumers' pockets, why is it that the companies did not hold consultations with the Government and why is Government kept in the dark about them?

Shri K. D. Malaviya: All these matters were considered at a point, at a time, and it was agreed between us that so far as the increase in duty and taxes were concerned, it would be realised by them on our behalf and will be handed over to us.

Shri Chintamoni Panigrahi: May I know whether the Government is aware that even the prices of inferior kerosene oil were also increased and, if so, what is the reason for that?

Shri K. D. Malaviya: We have no information with regard to any increase in the price of inferior kerosene.

Shri Sadhan Gupta: May I know whether it is not a fact that the oil

companies, in view of the fabulous profits, can bear this excise burden from their own pockets, and, if so, whether the Government have made any attempt to persuade them to bear these excises out of their own profits rather than shift it on to the consumers?

Shri K. D. Malaviya: This is a question of opinion held by the hon. Member. With regard to persuading the companies to examine the accounts and profitability, the House is already aware that the Government are taking steps; we are busy at present examining the cost accounting and profitability of these things with a view to reach a proper level of prices.

WRITTEN ANSWERS TO QUESTIONS

Survey of Medicinal Plants

*1413. **Shri Kodiyan:** Will the Minister of **Scientific Research and Cultural Affairs** be pleased to state:

(a) whether Government have any proposal under consideration to conduct a survey of medicinal plants in the country;

(b) if so, the broad details of the proposal; and

(c) the expenditure to be incurred by the Government of India in this respect?

The Minister of Scientific Research and Cultural Affairs (Shri Humayun Kabir): (a) to (c). One of the functions of the Central Indian Medicinal Plants Organisation is to carry out such surveys, but no survey has yet been undertaken as the Organisation is still in the process of establishment.

Scientific and Cultural History of World

*1415. **Shri H. N. Mukerjee:** Will the Minister of **Education** be pleased to state:

(a) whether it is a fact that the UNESCO is publishing a scientific and cultural history of the world;

(b) if so, what are the details of the scheme;

(c) whether there are Indian scholars on the Committee entrusted with the publication, and if so, what are their names;

(d) whether it is a fact that in the portion of the projected publication dealing with India's early history, inaccurate and gratuitously disparaging remarks have been made in regard to Vedic civilization; and

(e) what is Government's attitude in the matter?

The Minister of Education (Dr. K. L. Shrimali): (a) Yes, Sir.

(b) UNESCO set up in 1951 an International Commission for the preparation and publication of a *History of the Scientific and Cultural Development of Mankind* to demonstrate the interdependence of nations and cultures and their respective contributions to the common heritage of mankind.

The History was to comprise six volumes as follows: Vol. I (Prehistory); Vol. II (1200 B.C. to 500 A.D.); Vol. III (500—1300 A.D.); Vol. IV (1300—1775 A.D.); Vol. V (1775—1900 A.D.); and Vol. VI (Twentieth Century).

(c) The Commission was originally constituted with 9 members which gradually increased to about 30, to include author-editors of all the volumes. Dr. R. C. Majumdar is one of the Vice-Presidents and Sardar K. M. Panikkar a member of the International Commission.

(d) and (e). There were some inaccuracies and inadequacies regarding the treatment of the prehistorical period of India in the text of Vol. I of the History. These were pointed out to the International Commission which communicated them to the author-editors for taking them into consideration while preparing the revised text for publication. The final text has not yet been received by the Government.

मंदसौर में पोस्त की फसल

*१४१८. **श्री वाजपेयी** : क्या **वित्त** मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि ओला-वर्षा के फलस्वरूप १९६०–६१ में मन्दसौर जिले में अफीम की फसल को काफी क्षति हुई है ;

(ख) यदि हां, तो क्षति का अनुमान क्या है और उससे १९५९–६० की तुलना में उत्पादन में कितनी कमी होगी ;

(ग) क्या शासन ने क्षतिग्रस्त क्षेत्र के अफीम-उत्पादकों के सहायतार्थ कोई पग उठाये हैं ;

(घ) क्या आगामी वर्ष के लिए लाइसेंस देने के सम्बन्ध में नीति का निर्धारण कर लिया गया है ; और

(ङ) यदि हां, तो उसका विवरण क्या है ?

वित्त उपमंत्री (श्री ब० रा० भगत) : (क) ओले गिरने और ज्यादा ठण्ड पड़ने से १९६०–६१ में मंदसौर जिले में पोस्त की फसल को कुछ नुकसान पहुंचा था ।

(ख) फसल तोली जा रही है, इसलिए अभी नुकसान का पता नहीं लग सकता ।

(ग) जी, नहीं ।

(घ) जी, नहीं ।

(ङ) यह सवाल पैदा ही नहीं होता ।

Gauhati Refinery

***1420. Shrimati Mafida Ahmed:** Will the Minister of **Steel, Mines and Fuel** be pleased to state:

(a) whether Government have taken any decision to transport refined petroleum products from the Gauhati refinery; and

(b) if so, the details thereof?

The Minister of Mines and Oil (Shri K. D. Malaviya): (a) Yes, Sir.

(b) Messrs. Indian Oil Company, a wholly Government-owned organisation, would be responsible for the transport of the refined products of the Gauhati refinery which they are planning to transport by rail/road.

Demands of Insurance Employees

***1423. Shri S. M. Banerjee:**
Shri Jagdish Awasthi:
Shri Punnoose:
Shri Tangamani:
Shri Ram Krishan Gupta:

Will the Minister of **Finance** be pleased to state:

(a) whether it is a fact that the Joint Committee with two Zonal Managers, one Deputy Zonal Manager and three representatives of National Federation of Insurance Field Workers appointed to go through the various demands of the LIC Field Staff has submitted an interim report;

(b) whether this Committee has submitted its recommendations on 15 points;

(c) what are those points;

(d) whether those recommendations have been implemented;

(e) if not, the reasons for the delay; and

(f) the steps taken by Government?

The Deputy Minister of Finance (Shrimati Tarkeshwari Sinha): (a) An informal Joint Committee consisting of three senior officers of the Corporation and three representatives of the National Federation of Insurance Field Workers appointed to review certain matters regarding the terms and conditions of service of salaried Field Workers has submitted an interim report.

(b) Yes, Sir.

(c) A list containing these points is given below:

LIST

1. Designation
2. Duties of Field Officers

3. Allocation of Areas
4. Transfer of Field Officers
5. Recruitment of Field Officers
6. Pay Scales
7. Annual Bonus
8. Leave Rules
9. Accident Benefits.
10. Retirement Age
11. Provident Fund
12. Gratuity
13. Constitution of Divisional Advisory Committee.
14. Amendments to 1959 Appraisal rules.
15. Disciplinary action in respect of Field Officers failing to earn an increment on their 1959 performance whose cost of business exceeded a certain percentage of the first year's premium income.

(d) to (e). The recommendations are still under consideration of the L.I.C.

Withdrawal of Indian Currency in Kuwait

*1424. **Shri N. R. Muniswamy:**
Shri Ram Krishan Gupta:
Shri Indrajit Gupta:

Will the Minister of **Finance** be pleased to state:

(a) what are the financial repercussions as a result of the withdrawal of India's special currency in Kuwait following Kuwait Government's decision to introduce its own currency to be known as "Dinar" from April, 1961 onwards;

(b) whether similar withdrawal has to be effected in other territories of the Persian Gulf;

(c) what is the present value of the currency circulated in that area; and

(d) how the liability to Kuwait Government would be discharged by India in this regard?

The Deputy Minister of Finance (Shri B. R. Bhagat): (a) and (c). As the exchange of Indian currency which is now in circulation in Kuwait has not yet been completed, it is difficult to indicate the precise financial implications at this stage.

(b) No.

(d) India's liability will be discharged by a payment in sterling in 11 annual instalments starting on the expiry of 15 days from the termination of the period fixed for the exchange of Indian currency into Kuwaiti dinar, or on the 1st July, 1961, whichever is later, but the period of repayment will be extended, if necessary beyond the due date in 1971, in the event of any additional burden being thrown on India, on account of the replacement of Indian currency by the Kuwaiti dinar in the other areas of the Gulf.

Diplomas of Rural Institutes

*1425. **Shri Ram Krishan Gupta:** Will the Minister of **Education** be pleased to refer to the reply given to Unstarred Question No. 733 on the 24th November, 1960 and state:

(a) whether a final report has been received from the Inter-University Board of India about the recognition of Diplomas of rural institutes by the universities; and

(b) if so, the details thereof?

The Minister of Education (Dr. K. L. Shrimali): (a) and (b). The final recommendations of the Inter-University Board have since been received and the Resolution passed by the Board is reproduced below:—

"Resolved that the Inter-University Board generally agrees with the recommendations of the Inspection Committee appointed by the Standing Committee on the question of equivalence of the Rural Services Diploma with the first degree of Universities and requests the Universities to implement them as far as possible." The recommendation of the Committee is as follows:—

"After taking into consideration the quality of students that seek admission to these Institutes, the courses of study and the training generally imparted and its standard of examinations, we would recommend that selected candidates be accepted as well for purposes of post-graduate instruction. The only point is for what subjects will students of these Institutes be fit for carrying on post-graduate work of the University standard. Obviously they will not be qualified for English, Mathematics or a Science subject. The courses in which they can with profit prosecute higher studies are Economics, Sociology and History and some other disciplines in the Humanities. In view of the valuable experiment that is being carried on in Education by these Institutes we would like that Universities should extend the maximum possible amount of consideration to these students and will admit the deserving ones to post-graduate classes in the subjects. Of course the admission to post-graduate classes are always made on merif and those students who have obtained the 1st or IInd class in the Diploma examination be considered eligible for admission to post-graduate courses. We also recommend them for professional training like Education, Law, Public Administration, etc."

सीमावर्ती क्षेत्र में असैनिक व्यक्ति

*१४२६. श्री भक्त दर्शन : क्या प्रतिरक्षा मंत्री २ दिसम्बर, १९६० के तारांकित प्रश्न संख्या ६३९ के सम्बन्ध में यह बताने की कृपा करेंगे कि सीमावर्ती क्षेत्रों में काम करने वाले असैनिक कर्मचारियों को कुछ सुविधायें व भत्ते देने के प्रश्न के बारे में क्या निश्चय किया गया है ?

प्रतिरक्षा मंत्री (श्री कृष्ण मेनन) : यह मामला अभी विचाराधीन है ।

Release of Land in Delhi

*1427. **Shri P. C. Borooah:**
Shri Ram Krishan Gupta:
Shri J. B. S. Bist:
Sardar Iqbal Singh:
Shri Radha Raman:
Shri Shree Narayan Das:
Shri Ram Garib:
Shri Shiva Datt Upadhyaya
Shrimati Ila Palchoudhuri:
Giani G. S. Musafir:
Shrimati Maimoona Sultan:

Will the Minister of **Home Affairs** be pleased to refer to the reply given to Starred Question No. 727 on the 6th December, 1960 and state the nature and details of decision taken regarding releasing of land for development as construction sites by Delhi Development Authority and compensation to be paid for the land acquired?

The Minister of State in the Ministry of Home Affairs (Shri Datar): The information is contained in the statement regarding the allotment of the land acquired by Government in Delhi, laid on the Table of the Lok Sabha on 23rd March, 1961.

Production of Pig Iron in Private Sector

*1428. **Shri Ajit Singh Sarhadi:** Will the Minister of **Steel, Mines and Fuel** be pleased to state:

(a) how far the scheme to develop pig iron production in Private Sector through medium sized plants has been implemented;

(b) whether any such small plants have been licensed in the Punjab; and

(c) the location of these plants in the Punjab and the progress thereof?

The Minister of Steel, Mines and Fuel (Sardar Swaran Singh): (a) 8 schemes of a total capacity together of 300,000 tons have been sanctioned. A licence for 15,000 tons has been revoked as the licensee was no longer interested in the scheme.

(b) and (c). No, Sir. But an application for a unit to be located in the Mohindergarh or Gurgaon district of the Punjab is under consideration.

Employment Facilities for the Dumb and the Blind

*1429. **Shri Bibhuti Mishra:** Will the Minister of **Education** be pleased to state:

(a) whether there is any scheme under Government to give employment facilities to dumb and blind persons (educated or non-educated); and

(b) if not, whether Government are thinking of launching any scheme in this regard?

The Minister of Education (Dr. K. L. Shrimali): (a) Yes, Sir.

(b) Does not arise.

National Cyclists' Federation of India

*1430. **Shri H. N. Mukerjee:** Will the Minister of **Education** be pleased to state:

(a) whether his attention has been drawn to representations made by the National Cyclists' Federation of India against its disaffiliation by the Indian Olympic Association and consequent withdrawal of its recognition by the All India Council of Sports; and

(b) whether the All India Council of Sports has given a hearing in the matter and come to a decision?

The Minister of Education (Dr. K. L. Shrimali): (a) Yes, Sir.

(b) Yes, Sir. The Council is of the opinion that it should not recognise any National Sports Federation coming within the purview of the Olympic Charter until it is affiliated to Indian Olympic Association.

Recovery of Money from Pakistan

*1431. **Shri Ram Krishan Gupta:**
Shri Vidya Charan Shukla:
Sardar Iqbal Singh:

Will the Miniter of **Home Affairs** be pleased to refer to the reply given to Starred Question No. 417 on the 24th November, 1960 and state:

(a) the further steps taken to recover the sum of Rs. 2 crores, 35 lakhs from Pakistan; and

(b) the results of these efforts?

The Minister of Home Affairs (Shri Lal Bahadur Shastri): (a) and (b). It has not been found possible so far to take any further step in this connection.

नैमित्तिक श्रमिक

*१४३२. श्री विभूति मिश्र :
श्री प्र० चं० बरुआ :

क्या वित्त मंत्री यह बताने की कृपा करेंगे कि

(क) क्या यह सच है कि सरकार ने नैमित्तिक श्रमिकों के बारे में वेतन आयोग की सिफारिशें स्वीकार कर ली हैं ; और

(ख) यदि हां, तो आर्थिक और सामाजिक दृष्टिकोण से इसका क्या प्रभाव पड़ेगा ?

वित्त उपमंत्री (श्रीमती तारकेश्वरी सिन्हा) : (क) जी हां । इस सम्बन्ध में जारी किये गये आदेशों की प्रतियां सभा की मेज पर रख दी गयी हैं । [देखिये परिशिष्ट ५, अनुबन्ध संख्या १]

(ख) अनुमान है कि इन आदेशों को अमल में लाने में हर साल २ करोड़ रुपया और खर्च होगा । सामाजिक दृष्टि से, नैमित्तिक श्रमिकों में अपने काम की शर्तों के बारे में सुरक्षा और संतोष की और भी अच्छी भावना पैदा हो सकेगी ।

Welfare of Backward Classes in Punjab

2973. **Shri D. C. Sharma:** Will the Minister of **Home Affairs** be pleased to state:

(a) whether it is a fact that the amount of money which was allotted to Punjab in 1959-60 for welfare of

backward classes had not been utilised fully;

(b) if so, what amount was utilised;

(c) whether any aid was given to non-official organisations from this allocation; and

(d) if so, how much and the names of the non-official organisation which received such aid?

The Deputy Minister of Home Affairs (Shrimati Alva): (a) to (d). The information is still being collected from the State Government and will be laid on the Table of the House as soon as it is received.

Indian Private Investment in Ceylon

2974. Shri D. C. Sharma: Will the Minister of **Finance** be pleased to state:

(a) whether the Government of India have any account of Indian Private Investment in Ceylon;

(b) if so, the amount thereof; and

(c) whether Government still allow Indians to invest capital in Ceylon?

The Minister of Finance (Shri Morarji Desai): (a) and (b). According to the information collected under the Survey of India's Foreign Assets and Liabilities, total private Indian assets in Ceylon amounted to Rs. 95 lakhs as at the end of 1955, representing—

(i) assets owned by Indian Joint Stock Companies (Rs. 87 lakhs), and

(ii) agent/custodian holdings of banking companies in India on behalf of resident individuals (Rs. 8 lakhs).

These figures do not include assets held by resident individuals other than those covered by item (ii). According to Exchange Control data, there was a net disinvestment of Rs. 52 lakhs in these assets upto September, 1960. This does not, however, include changes in the value of existing assets arising from reinvestment of profits and capital appreciation, etc., on which no data are available.

(c) In view of the shortage of foreign exchange, which is very much required for our own industrialisation, investment abroad is not permitted except when Indian investment is limited to—

(i) the value of Indian machinery exported from India; and

(ii) the value of free shares, if any, allotted by way of technical fees or payment for 'know-how' etc.

Primary School Teachers in Maharashtra

2975. Shri Pangarkar: Will the Minister of **Education** be pleased to state:

(a) whether the Government of India have given any financial assistance to the Maharashtra Government during 1960-61 for increasing the emoluments of the low paid primary school teachers in that State; and

(b) if so, the amount of assistance given?

The Minister of Education (Dr. K. L. Shrimali): (a) Yes, Sir.

(b) Schemes involving a total estimated expenditure of Rs. 31·67 lakhs were included by the Government of Maharashtra in their development programme for 1960-61. Central assistance @50 per cent. is admissible on the expenditure involved in these schemes.

According to the present procedure Central grants on the development schemes of any State Government are sanctioned as a lump sum for all schemes and not separately on individual schemes. Accordingly, a grant of Rs. 86,00,000 has been sanctioned to the Government of Maharashtra as the Central assistance on "State" schemes implemented during 1960-61.

Central After Care Homes in Maharashtra

2976. **Shri Pangarkar:** Will the Minister of **Education** be pleased to state:

(a) the number of Central after-care homes now being run in Maharashtra;

(b) the places where they are located;

(c) the total number of inmates in these homes; and

(d) whether the working of these homes is satisfactory?

The Minister of Education (Dr. K. L. Shrimali): (a) and (b). Three after-care homes are now being run in Maharashtra, at Aurangabad, Nagpur and Kolhapur.

(c) and (d). The requisite information is being collected and will be placed on the Table of the Sabha as soon as possible.

Southern Zonal Council

2977. **Shri Pangarkar:** Will the Minister of **Home Affairs** be pleased to state:

(a) whether the time and venue of the next meeting of the Southern Zonal Council has been decided by now; and

(b) whether the agenda of the meeting has been fixed?

The Minister of State in the Ministry of Home Affairs (Shri Datar): (a) Not yet.

(b) Suggestions for inclusion of certain items in the agenda have been received but the agenda has not been finalised so far.

Pensioners

2978. **Shri Agadi:**
Shri M. Rampure:

Will the Minister of **Finance** be pleased to state the total number of retired Central Government employees whose total amount of pension including Dearness allowance comes under the categories of below Rs. 5, 10 and Rs. 15 per mensem?

The Minister of Finance (Shri Morarji Desai): The information is being collected and will be laid on the Table of the House in due course.

Pension Settlement

2979. **Shri Agadi:**
Shri M. Rampure:

Will the Minister of **Finance** be pleased to state:

(a) the number of cases pending settlement of pensions of Central Government personnel retired in the year 1959, State-wise;

(b) the number of cases pending for settlement of pensions of the same categories of persons retired before 1959;

(c) whether any action is being taken to expedite the settlement of pensions; and

(d) if so, the details of the orders?

The Deputy Minister of Finance (Shrimati Tarkeshwari Sinha): (a) and (b). The information is being collected and will be laid on the Table of the House in due course.

(c) During the past two years certain procedural improvements to reduce delays in the sanction and payment of pensions have been introduced. The rules for the calculation of length of service and emoluments for the purpose of pension have been simplified. A Hand Book of instructions to ensure timely disposal of pension cases is at present under print.

(d) A statement showing the main features of the procedural improvements and simplification in rules is laid on the Table of the House. [*See* Appendix V, annexure No. 2].

Production of Iron ore etc.

2980. Shri Kalika Singh: Will the Minister of **Steel, Mines and Fuel** be pleased to state:

(a) the annual production of pig iron, steel rolled sections iron ore, oil cubic metres of gas, and coal during 1956-57, 1957-58, 1958-59, 1959-60 and 1960-61 and how the same compared with production in U.K., U.S.A., U.S.S.R., France and a few other leading producer countries;

(b) by what year India is likely to become self-sufficient in the above Commodities; and

(c) whether India will be in a position to export some of these commodities in substantial quantities in the near future?

The Minister of Steel, Mines and Fuel (Sardar Swaran Singh): (a) Statements giving the available information are laid on the table of the House. [*See* Appendix V, annexure No. 3].

(b) India is already self-sufficient in respect of iron ore and coal. It is also more or less self sufficient in pig iron at present, but it is not likely to be self sufficient in the near future in so far as steel requirements are concerned although there may be marginal surpluses in some categories. It may be possible to determine the time when self-sufficiency in Oil may be attained only after the results of the present explorative activities in Gujarat, Assam and other promising areas have become know.

(c) India is already exporting substantial quantities of iron ore and meeting some of the coal requirements of neighbouring countries. In view of reply to part (b) above, the question of export does not arise in respect of pig iron, steel, oil (except Motor Spirit) and Natural Gas.

Steel Plant at Salem

2981. Shri Dharmalingam: Will the Minister of **Steel, Mines and Fuel** be pleased to state:

(a) whether the establishment of a steel plant at Salem has been included in the Third Five Year Plan; and

(b if so, the cost at which it is proposed to be established?

The Minister of Steel, Mines and Fuel (Sardar Swaran Singh): (a) and (b). The draft outline of the Third Five Year Plan envisages the establishment of a pig iron plant using the lignite in Neyveli to reduce iron ore. The scheme is in its preliminary stage of investigation.

Tribal Rural Welfare Schemes in Orissa

2982. Shri Kumbhar: Will the Minister of **Home Affairs** be pleased to state:

(a) the amount allotted from the State and Central Sectors separately on Tribal Rural Welfare Schemes for construction of roads in tribal areas in Orissa State, district-wise, during the Second Five Year Plan period yearwise so far;

(b) the number and names of roads district-wise completed or under construction so far with that amount;

(c) the names of the roads, district-wise, repaired with that amount during the First Five Year Plan period;

(d) by what time the rest of work would be completed; and

(e) the names of roads among them district-wise made all weather and fair weather bullock cartable, motorable and bus-serviceable so far?

The Deputy Minister of Home Affairs (Shrimati Alva): (a) and (b). The requisite information has been called for from the State Government and will be placed on the Table of the House when received

Examination of Proposals before Sanction of Expenditure

2983. Shri H. N. Mukerjee: Will the Minister of **Finance** be pleased to state:

(a) whether he examines proposals regarding air-conditioning and the

installation of luxury gadgets in Government premises before expenditure is incurred; and

(b) what, general, are the criteria employed in such examination?

The Minister of Finance (Shri Morarji Desai): (a) Yes, the Ministry of Finance examine proposals regarding air-conditioning in Government premises. It is not clear what the Honourable Member means by luxury gadgets.

(b) If considered necessary and subject to availability of funds and electric power,

(i) air-conditioning units are provided to officers of the rank of Additional Secretaries and above or of equivalent status in the North and South Blocks and in the hutments, and of the rank of Deputy Secretaries and above or of equivalena status in multi-storeyed buildings; and

(ii) desert coolers are provided to officers getting salaries of Rs. 1,100 p.m. and above, but below the rank of Additional Secretary, in hutments.

As regards air-conditioning of office buildings, laboratories, etc., the proposals are examined from the point of view of functional necessity with due regard to the availability of power, funds and foreign exchange.

Profits of Foreign Refineries etc.

2984. Shri H. N. Mukerjee: Will the Minister of **Steel, Mines and Fuel** be pleased to state the amount of gross profits, and of net profits, to be shown separately made by foreign refineries and oil storage and distribution companies in India during 1958, 1959 and 1960?

The Minister of Steel, Mines and Fuel (Sardar Swaran Singh): A Statement showing the Gross and Net Profits after provision for taxation of the Oil Companies in question for the years 1958 and 1959, is laid on the Table of the House. [*See* Appendix V, annexure No. 4]. The information for the year 1960 will not be available before September, 1961.

Appeals Pending before Appellate Assistant Commissioners

2985. Shri H. N. Mukerjee: Will the Minister of **Finance** be pleased to state:

(a) the number of appeals pending before Appellae Assistant Commissioners (Income-tax) on the 31st December, 1960;

(b) the number of such appeals pending for more than two years; and

(c) the number of those pending for more than one year but less than two years?

The Minister of Finance (Shri Morarji Desai): (a) Number of appeals pending before the Appellate Assistant Commissioners of Income-tax on 31st December, 1960 was 70794.

(b) Number of appeals pending on 31st December, 1960 from those filed in 1958-59 was 9900.

(c) Number of appeals pending on 31st December, 1960 from those filed in 1959-60 was 17232.

Freight paid to Foreign Shipping Concerns

2986. Shri H. N. Mukerjee: Will the Minister of **Finance** be pleased to state:

(a) the amount of freight paid to foreign shipping concerns on account of commercial cargoes during 1957-58, 1958-59, 1959-60 and 1960-61; and

(b) the amount of freight paid to foreign shipping concerns on account of foodgrains during the same period?

The Minister of Finance (Shri Morarji Desai): (a) and (b). The figures on this account are collected on a calendar year basis. The figures

for the years 1957, 1958 and 1959 are as under:

	1957	1958	1959
	(Rs. in crores)		
Commercial cargoes	78·36	51·32	49·15
Foodgrains imports.	24·33	14·05	17·02

The figures for the year 1960 have not yet become available.

After Care Homes

2987. Shri Krishna Chandra: Will the Minister of **Education** be pleased to state:

(a) the number of After-care Homes under the Social Welfare Scheme which are being run in various States;

(b) the places where each of these institutions is located;

(c) the number of inmates enrolled in each of them as on the 31st December, 1960;

(d) the crafts in which training is being imparted to the inmates in each of them; and

(e) the number of inmates in each institution for whom gainful employment has been secured by the 31st March, 1960 and the number of women inmates got married in each institution by the above date?

The Minister of Education (Dr. K. L. Shrimali): (a) and (b). A statement containing the requisite information is laid on the Table of the House. [*See* Appendix V, annexure No. 5].

(c) to (e). The requisite information is being collected. It will be placed on the table of the Sabha as soon as possible

Fire in Kumude Village in Orissa

2988. Shri Kumbhar: Will the Minister of **Home Affairs** be pleased to state:

(a) whether it is a fact that the whole village of Kumude in Sonepur Sub-Division, Bolangir District, Orissa had burned down to ashes last week;

(b) if so, the nature of relief and rehabilitation assistance given to them so far; and

(c) if not, the reasons therefor?

The Minister of State in the Ministry of Home Affairs (Shri Datar): (a) to (c). The information is being collected from the State Government of Orissa and will be laid on the Table of the House in due course.

Primary Education in Punjab

2989. Shri D. C. Sharma:
Shri Hem Raj:

Will the Minister of **Education** be pleased to state:

(a) the amount of financial assistance given to the Government of Punjab for the development of primary education during 1960-61; and

(b) the amount earmarked to be given during 1961-62?

The Minister of Education (Dr. K. L. Shrimali): (a) The following amounts were sanctioned to the Government of Punjab during 1960-61:

(i) Central assistance on Educational Development Schemes in the "State" sector including schemes for the development of primary education, Rs. 120,13,000

(ii) Central Assistance on Centrally sponsored schemes relating to elementary education, Rs. 3,11 448.

(b) No decision has been taken yet about the amount of grants to be given during 1961-62.

Smuggling of Diamonds

2990. Shri D. C. Sharma: Will the Minister of **Finance** be pleased to state:

(a) whether it is a fact that smuggling of Diamonds into India is increasing:

(b) if so, how many cases have been detected during 1960-61; and

(c) the action taken against the smgglers?

The Minister of Finance (Shri Morarji Desai): (a) Smuggled diamonds valued at about Rs. 14 lakhs, Rs. 12 lakhs and Rs. 18·25 lakhs respectively were seized by the Customs and Central Excise authorities during the years 1958, 1959 and 1960. Although it is true that the value of diamonds seized has risen a little, it will not be correct to say that smuggling is increasing.

(b) 7 cases.

(c) The following action was taken against the smugglers or the persons concerned in the above 7 cases:

(i) One case is under investigation.

(ii) In one case diamonds seized were released to the owner after investigation and adjudication.

(iii) In four cases, diamonds were absolutely confiscated; in all these cases, prosecutions have been launched. In two of these cases, the persons concerned were convicted and the other two cases are still pending.

(iv) In the remaining one case, adjudication proceedings have not been finalised; the person concerned is also being prosecuted.

Excise Duty on Assam Tea

2991. Shri Ram Krishan Gupta: Will the Minister of **Finance** be pleased to refer to the reply given to Starred Question No. 419 on the 24th November, 1960 and state:

(a) whether Government have made suitable re-settlement of excise duty on Assam tea; and

(b) if so, the details thereof?

The Minister of Finance (Shri Morarji Desai): (a) and (b). The existing position is being continued for one year after which the matter will be considered further.

Coke Oven Plant in Madras State

2992. Shri Ram Krishan Gupta: Will the Minister of **Steel, Mines and Fuel** be pleased to refer to the reply given to Starred Question No. 427 on the 24th November, 1960 and state:

(a) whether the details for setting up a coke oven plant in Madras State have been worked out; and

(b) if so, what are they?

The Minister of Steel, Mines and Fuel (Sardar Swaran Singh): (a) and (b). The Government of Madras had proposed in their third Five Year Plan the establishment of a coke oven plant with a through put capacity of 500 tons of coal per day. The capital cost on the plant was estimated to be Rs. 250 lakhs. After various aspects of the proposal had been examined in consultation with the State Government, the Government of India came to the conclusion that no provision could be made for such a plant in Madras. The State Government, therefore, dropped the proposal.

Akali Agitation in Delhi

2993. { **Shri Ram Krishan Gupta**
Shri D. C. Sharma:
Shri Naval Prabhakar:
Shri Bhakt Darshan:

Will the Minister of **Home Affairs** be pleased to state:

(a) the number of persons arrested so far in connection with Akali Agitation in Delhi Union Territory since the 12th June, 1960:

(b) the number of persons released; and

(c) the number of persons who are stil in jail?

The Minister of State in the Ministry of Home Affairs (Shri Datar): (a) 5294.

(b) 5252.

(c) 42

West German Teachers in Indian Universities

2994. Shri Ajit Singh Sarhadi: Will the Minister of **Education** be pleased to state:

(a) whether any request has been made to the West German Government for loan of service of certain teachers for Indian Universities; and

(b) if so, for what subject and for which universities?

The Minister of Education (Dr. K. L. Shrimali): (a) No, Sir.

(b) Does not arise.

Merit-*cum*-Means Scholarships in Punjab

2995. **Shri Ajit Singh Sarhadi:**
Shri Ram Krishan Gupta:

Will the Minister of **Scientific Research and Cultural Affairs** be pleased to state:

(a) the number of merit-*cum*-means scholarships allotted to each technical institute in Punjab during 1960-61; and

(b) the allocation being made for 1961-62?

The Minister of Scientific Research and Cultural Affairs (Shri Humayun Kabir): (a) and (b). The number of scholarships allotted to Technical Institutions in Punjab in 1960-61 under the Merit-*cum*-Means Scholarships Scheme is as sown below:

Name of the Institute	Number of Scholarships allotted.
1	2
I. Institutions for first degree Courses:	
1. Guru Nanak Engineering College, Ludhiana	7
2. Punjab Engineering College, Chandigarh	13
3. Thapar Institute of Engineering and Technology, Patiala	7
4. Technological Institute of Textiles Bhiwani	2
5. Department of Pharmaceutic Panjab University, Chandigarh	1
6. Department of Chemical Engineering & Technology, Panjab University, Chandigarh.	1
II. Institutions for Diploma Courses:	
7. Government Polytechnic, Ambala City	3
8. Guru Nanak Engineering College, Ludhiana	2
9. Mehar Chand Technical Institute, Jullundur	2
10. National Institute of Engineering, Hoshiarpur	2
11. Punjab Polytechnic, Nilokher	3
12. Ramgharia Polytechnic, Phagwara	2
13. Tarakaran S. D. Tech. Institute, Baijnath	
14. Thapar Polytechnic & School of Engineering, Patiala	2
15. Punjab Institute of Textile Technology, Amritsar	1
16. Central Polytechnic, Chandigarh	2
17. Government Tanning Institute Jullundur	1
TOTAL	52

The allocation for 1961-62 has not yet been taken up.

Teachers of Panjab and Kurukshetra Universities

2996. Shri Ajit Singh Sarhadi: Will the Minister of **Education** be pleased to state:

(a)whether the University Grants Commission make any payment for the salaries of any teachers and professors in the Panjab University and Kurukshetra University for any subjects;

(b) if so, the number of professors and teachers being paid by the University Grants Commission: and

(c) the mode of appointment of such teachers and professors?

The Minister of Education (Dr. K. L. Shrimali): (a) Yes, only in the case of teachers of the Panjab University.

(b) 98.

(c) All appointments are made by the University in according with the provisions of its own Act and Regulations. The University Grants Commission has, however, laid down only the minimum qualifications for appointment as Professors, Readers and Lecturers in Universities.

Fall in Central Taxes in Rajasthan

2997. Shri Pangarkar: Will the Minister of **Finance** be pleased to state:

(a) whether there was any fall in the collection of central taxes in Rajasthan during 1959-60; and

(b) if so, the reasons therefor?

The Minister of Finance (Shri Morarji Desai): (a) There was no fall in the collection of Central Taxes in Rajasthan during 1959-60 as compared to the years 1958-59.

(b) Does not arise.

U.K. Loan for Private Sector Industries

2998. Shri Pangarkar: Will the Minister of **Finance** be pleased to state:

(a) whether any Indian firms have received any U.K. loan for establishment of industries in India in the private sector during the year 1960; and

(b) if so, the names of such firms along with the amount of the loan?

The Minister of Finance (Shri Morarji Desai): (a) No, Sir. However, a portion of the foreign exchange available under the loans made by the U.K. Government to the Government of India is allocated for the use of private sector industries against cash payment by them.

(b) Does not arise.

Nagarjunakonda Excavations

2999. Shri Narasimhan: Will the Minister of **Scientific Research and Cultural Affairs** be pleased to state:

(a) the number of junior class I officers employed at Nagarjunakonda Excavations during the years (i) 1956-57 (ii) 1957-58, (iii) 1958-59, (iv) 1959-60 and (v) 1960-61;

(b) what were their duties and responsibilities;

(c) what was their previous experience in (i) Excavations and (ii) Research.

(d) whether they were given any responsible independent work; and

(e) how their activities were coordinated?

The Deputy Minister of Scientific Research and Cultural Affairs (Dr. M. M. Das): (a) (i) 1956-57—3.

(ii) 1957-58.—6.

(iii) 1958-59.—6.

(iv) 1959-60.—5.

(v) 1960-61.—5.

Out of which one officer was withdrawn in May, 1960, one in June, 1960 and two in December, 1960;

(b) To conduct and supervise the work of excavation, recording of finds

and antiquities and work of drawings and photography. They also assisted the Superintendent in his administrative functions.

(c) All except two officers had training in field Archaeology and excavations;

(d) and (e). Junior Officers were allotted separate items or types of responsible work. In the interest of work and co-ordination, they were placed under the direction of a Senior Officer.

गुब्बारा कार

३०००. श्री रघुनाथ सिंह : क्या वैज्ञानिक अनुसंधान और सांस्कृतिक-कार्य मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि ब्रिटेन में हैम्पशायर के निवासी श्री ब्रुक्स ने एक 'गुब्बारा कार' का आविष्कार किया है जो समुद्र के पानी में नीचे अच्छी तरह चल सकती है तथा तटवर्ती सफाई आदि के काम में सुगमतापूर्वक प्रयोग की जा सकती है ; और

(ख) यदि हां, तो क्या भारत में इस के प्रयोग का प्रयास किया जायेगा ?

वैज्ञानिक अनुसंधान और सांस्कृतिक-कार्य मंत्री (श्री हुमायूं कबिर): (क) इस बारे में सरकार को कोई खबर नहीं है ।

(ख) इसके बारे मालूम हो जाने पर इस बात पर विचार किया जायेगा ।

Illegal Arms Manufacturing Companies

3001. Shri Raghunath Singh: Will the Minister of **Home Affairs** be pleased to state how many illegal arms manufacturing factories have been found working in India or were seized by the Government from January, 1960 to February, 1961?

The Minister of State in the Ministry of Home Affairs (Shri Datar): The information is being collected and will be laid on the Table of the House when received.

Protected Monuments in Madras

3002. Shri Subbiah Ambalam:
Shri Palaniyandy:
Shri Elayaperumal:

Will the Minister of **Scientific Research and Cultural Affairs** be pleased to state:

(a) the total amount allotted for maintenance and special repairs of each of the protected monuments in Madras State for the years 1958-59, 1959-60 and 1960-61; and

(b) what amount has been actually spent so far for each of the protected monuments?

The Deputy Minister of Scientific Research and Cultural Affairs (Dr. M. M. Das): (a) and (b). There are 413 such monuments in Madras State. The time and labour spent in collecting the information will be commensurate with the results thereof.

Case Against Manager of Bank of China

3003. Shri Aurobindo Ghosal: Will the Minister of **Home Affairs** be pleased to state:

(a) whether any case was started against the Manager of the Bank of China for violating the Government's order to quit India; and

(b) if so, what is the present position of the case?

The Minister of State in the Ministry of Home Affairs (Shri Datar): (a) Yes.

(b) The case was withdrawn as he chose to leave India of his own accord.

Smuggling of Foreign Liquor from Delhi to Bombay

3004. Shri Assar: Will the Minister of **Home Affairs** be pleased to state:

(a) whether it is a fact that recently Delhi police have arrested one gang of smugglers who were regularly smuggling foreign liquor from Delhi to Bombay;

(b) whether it is a fact that wine was purchased from one of the foreign embassies; and

(c) if so, the details thereof?

The Minister of State in the Ministry of Home Affairs (Shri Datar): (a) to (c). 379 bottles of foreign liquor were seized by the Delhi Police from the house of a smuggler in July, 1960. This led to the arrest of some others who were smuggling to Bombay foreign liquor secured from a foreign mission in Delhi.

Tribal Land-holders in Tripura

3005. Shri Dasaratha Deb: Will the Minister of **Home Affairs** be pleased to state:

(a) whether Government are aware that a number of tribal people of Anand Bazar area of Kailasahar Subdivision in Tripura are compelled to hand over their lands to local Mahajans due to debts in the last two years;

(b) if so, whether Government would take steps to collect the data of such transfer of lands from the tribal peasants to Mahajans due to debt in these two years; and

(c) what steps Government propose to take to protect the interests of the poor tribals?

The Minister of State in the Ministry of Home Affairs (Shri Datar): (a) to (c). No such complaint has been received from or on behalf of tribal people of Kailasahar Sub-division. A petition from one Shri Pusparam Riang, a tribal Sardar of Subhasnagar, Dharmanagar Sub-division, has, however, been received alleging that a local Mahajan is threatening to evict him from the land against which the applicant had borrowed some money. He has also alleged that some other tribal Riangs have been or are being evicted in similar circumstances. The complaint is under investigation.

Criminal Cases in Tripura

3006. Shri Dasaratha Deb: Will the Minister of **Home Affairs** be pleased to state:

(a) how many cases were instituted by the police in the Agartala Court on cognizable offences in 1960 and in how many of them the accused were convicted; and

(b) how many criminal cases are still pending in the Agartala Court?

The Minister of State in the Ministry of Home Affairs (Shri Datar): (a) Out of the 1,190 cases instituted, 74 ended in convictions.

(b) 77.

Demonstration in Sabroom, Tripura

3007. Shri Dasaratha Deb: Will the Minister of **Home Affairs** be pleased to state:

(a) whether any demonstration had been held by the people of Gorakapa Mauja of Sabroom, Tripura in the premises of Silachar Beat Forest Office on the 26th November, 1960;

(b) if so, whether any grievances had been put forward before Government by the demonstrators through the officer-in-charge of the Silachar Forest Office; and

(c) if so, what are the grievances and what steps have been taken to remove the grievances?

The Minister of State in the Ministry of Home Affairs (Shri Datar): (a) Yes.

(b) The demonstrators raised slogans demanding the abolition of Grazing Tax and Reserved Forests, withdrawal of Forest Rules, removal of Forest Office from the area and suspension of plantation operations.

(c) Grazing Tax has been substantially reduced already. The other demands cannot be conceded because of the necessity of protecting forests from destruction.

Storage, Installations for Imported Petroleum Products

3008. Shri D. C. Sharma: Will the Minister of **Steel, Mines and Fuel** be pleased to state the total amount spent by the Indian Oil Company to build its storage installations for the imported petroleum products?

The Minister of Steel, Mines and Fuel (Sardar Swaran Singh): M/s. Indian Oil Company Ltd., have spent so far about Rs. 17 lakhs on bulk storage installations at port and at inland points till 1st April, 1961. These installations, although initially meant for storage of imported products, will also be utilised for storage of indigenous production when the Indian Oil Company will handle such products.

Sahitya Rachnalaya in Orissa

3009. Shri Chintamoni Panigrahi: Will the Minister of **Education** be pleased to state:

(a) whether administrative approvals were issued to Orissa Government for organising one Sahitya Rachnalaya in the State in 1960-61;

(b) if so, when this Sahitya Rachnalaya was organised in the State; and

(c) who was in-charge of this Rachnalaya?

The Minister of Education (Dr. K. L. Shrimali): (a) Yes, Sir.

(b) In the months of February and March 1961. It commenced on 17th February, 1961.

(c) A Director appointed by the State Government.

House Rent Allowance for Civilian Employees

3010. Shri S. M. Banerjee: Will the Minister of **Defence** be pleased to state:

(a) whether orders reducing the house rent from 10 per cent. to 7½ per cent. as recommended by the Pay Commission in case of civilian employees getting upto Rs. 150 p.m. have since been issued;

(b) if not, the reason for the delay;

(c) the steps taken by Government to expedite this decision; and

(d) whether this will be implemented retrospectively from the 1st July, 1959?

The Minister of Defence (Shri Krishna Menon): (a) Yes, Sir.

(b) and (c). Do not arise.

(d) Yes, Sir.

जनगणना

३०११. **श्री प० ला० बारुपाल :** क्या गृह-कार्य मंत्री यह बताने की कृपा करेंगे कि ?

(क) १९६१ की जनगणना में लोगों की उपजाति न लिखने के क्या कारण हैं ; और

(ख) अनुसूचित जातियों और अनुसूचित आदिम जातियों की गणना करते समय उन की जाति न लिखने के क्या कारण हैं ?

गृह-कार्य उपमंत्री (श्रीमती आल्वा) : (क) गृह-कार्य मंत्री द्वारा "जातिवाद" के उन्मूलन के प्रश्न पर १४ फरवरी, १९५८ को राज्य सभा में बताई गई सरकार की नीति के अनुसार १९६१ की जनगणना में अनुसूचित जातियों तथा अनुसूचित आदिम जातियों के अतिरिक्त अन्य जातियों की गणना नहीं की गयी थी ।

(ख) यह बात असत्य है, कि जनगणना के समय अनुसूचित जातियों तथा अनुसूचित आदिम जातियों की जातियां नहीं लिखी गई थीं यदि कोई व्यक्ति किसी राज्य अथवा जिले में रहने वाली अनुसूचित जाति या अनुसूचित आदिम जाति का था, तो उस की जाति का नाम जनगणना पत्रों में लिखा गया था ।

Girls' Education in Orissa

3012. Shri Chintamoni Panigrahi: Will the Minister of **Education** be pleased to state:

(a) whether an amount of Rs. 3,72,552 has been sanctioned for

Orissa for the year 1960-61 for helping in the expansion of girls' education and training of women teachers in the State;

(b) if so, what are the details of these schemes for which this amount has been sanctioned; and

(c) the amount to be sanctioned for Orissa for this purpose in 1961-62?

The Minister of Education (Dr. K. L. Shrimali): (a) Yes, Sir, a sum of Rs. 5.01 lakhs on the basis of payment sanction statement received from the State Government has been sanctioned for 1960-61.

(b) The sub-schemes taken up for implementation are:

(1) Appointment of school mothers and their training.

(2) Construction of quarters for women teachers.

(3) Stipends to teachers trainees.

(4) Refresher courses for women teachers.

(5) Condensed courses for adult women.

(6) Attendance scholarships for girls.

(7) Construction of hostels for girls in middle and secondary schools.

(c) The scheme has been discontinued and as such no provision has been made for 1961-62.

Arrears of Various Taxes in States

3013. Shrimati Ila Palchoudhuri: Will the Minister of **Finance** be pleased to state:

(a) the total amount of arrears outstanding in each State on account of Gifts Tax, Wealth Tax and Expenditure Tax separately as on the 1st March, 1961; and

(b) the nature of steps taken or proposed to be taken to realise these arrears?

The Minister of Finance (Shri Morarji Desai): (a) and (b). The required information is being collected and will be laid on the Table of the Sabha.

Storage Capacity for Kerosene and Diesel Oil

3014. Shri Aurobindo Ghosal: Will the Minister of **Steel, Mines and Fuel** be pleased to state:

(a) the present storage capacity of Indian Oil Company for Kerosene and Diesel Oil;

(b) whether it is to be increased; and

(c) if so, to what extent and where?

The Minister of Steel, Mines and Fuel (Sardar Swaran Singh): (a) to (c). The capacity available at present with the Company is of the order of 50,000 tons. The Company have already embarked on constructing additional storage installations and in terms of the first phase of organisation of the Indian Oil Company, they have plans to reach a target capacity of over 2,00,000 tons.

Foreign Payments

3015. Shri H. N. Mukerjee: Will the Minister of **Finance** be pleased to state what has been the total amount of our foreign payments (i) on private account and (ii) on Government account, to be shown separately, during 1957-58, 1958-59 and 1959-60?

The Minister of Finance (Shri Morarji Desai): The broad break-up of total foreign payments on private and government account is as follows:

	1957-58	1958-59	1959-60
	(Rs. in crores)		
Private Account	874·2	678·7	657·8
Government Account	586·7	576·4	612·1
Total	1460·9	1255·1	1269·9

This classification is in terms of the status of the licensee, not in terms of the ultimate user.

Election Petitions

3016. Shri Arjun Singh Bhadauria: Will the Minister of Law be pleased to refer to the reply given to Unstarred Question No. 1473 on the 10th March, 1961 and state:

(a) whether some of the disqualified Members of U. P. Legislative Assembly mentioned in the reply have again applied for removal of disqualification;

(b) the number of those in whose cases the disqualification was removed for 4 years;

(c) whether one of the persons has again asked for removal of disqualification for a month or more;

(d) whether Election Commission has acceded to this request; and

(e) if so, on what grounds?

The Deputy Minister of Law (Shri Hajarnavis): (a) to (c). Two out of the five disqualified persons had originally applied for removal of disqualification. In one case the Election Commission had removed the disqualification and in the other it had reduced the period from six years to two years. The person whose period of disqualification was reduced to two years again applied for further reducing the period of disqualification by a period of two months.

(d) No, Sir.

(e) Does not arise.

Iron and Steel Requirements of Andhra

3017. Shri Anjanappa: Will the Minister of Steel, Mines and Fuel be pleased to state:

(a) what were the Steel and Iron requirements placed by the Andhra Pradesh Government with the Central Government during the Second Five Year Plan period;

(b) how much was sanctioned; and

(c) how much has been actually supplied?

The Minister of Steel, Mines and Fuel (Sardar Swaran Singh): (a) to (c).

	Demand requirement	Allotment/ sanctioned	Despatches/ Supplies
			(In tons)
(*i*) STEEL			
1956-57	66,164	27,233	25,352
1957-58	66,156	22,010	27,624
1958-59	50,425	33,214	25,986
1959-60	110,278	78,015	49,340
1960-61	185,287	133,827	62,097*

(*) Upto Feb. '61.

(*ii*) PIG IRON			
		Planned	
1959-60	2,821	2,708	2,284
1960-61	3,600**	3,139	2,817†

**Upto December 1960.
†Upto January 1961.

Statistics relating to despatches of pig iron to States prior to 1959-60 were not maintained. Distribution control over pig iron was lifted from 1-7-1959.

Remarks—The system of quota certificates for steel except for sheets and wire was abolished during 1960-61. All indents were planned in full except for these two categories. The figures shown under allotment for 1960-61, therefore, represent the quantity allotted under quota certificates and the total demand placed on the Iron and Steel Controller for other categories.

Despatches include despatches against Central quotas and despatches to Controlled Stockists in the State and represents despatches against current and outstanding orders.

राष्ट्रीय वनस्पति उद्यान, लखनऊ

३०१८. **श्री अर्जुन सिंह भदौरिया :** क्या वैज्ञानिक अनुसंधान और सांस्कृतिक कार्य मंत्री यह बताने की कृपा करेंगे कि :

(क) वनस्पति उद्यान, लखनऊ के लिये जो कोठी खरीदी गयी है उस की क्या कीमत है;

(ख) इस कोठी से मिली हुई जो दूसरी कोठी है, जो कि इतनी ही बड़ी है, उसे किसी अन्य व्यक्ति ने कितने हजार रुपये में खरीदा है,

(ग) क्या यह सच है कि बनस्पति उद्यान द्वारा खरीदी गई कोठी में सी. आई. डी. का दफ्तर है;

(घ) इस बंगले के अलावा क्या बनस्पति उद्यान में प्रताप मार्ग पर भी अपना एक भवन बनवाया है,

(ङ) यदि हां, तो उस की लागत क्या है; और

(च) बनस्पति उद्यान को जब से सरकार ने अपने हाथ में लिया है तब से उस की क्या आमदनी सरकार को है ?

वैज्ञानिक अनुसंधान और सांस्कृतिक-कार्य मंत्री (श्री हुमायून् कबिर) : (क) जमीन का एक टुकड़ा एक पुराने बंगले के साथ १,०६,०६० रुपयों में २६-६-५६ को खरीदा गया था । यह कीमत एक्वीजीशन अफसर और एक्जीक्यूटिव इंजीनियर, पी० डब्ल्यू० डी० लखनऊ द्वारा मुकर्रर की गई थी ।

(ख) इस बारे में कोई खबर नहीं है ।

(ग) जी नहीं, क्योंकि इस दफ्तर ने यह जगह ३१-१०-१९६० को खाली कर दी थी ।

(घ) जी नहीं ।

(ङ) सवाल पैदा नहीं होता ।

(च) बीज, फूलों बगैर: की बिक्री से अप्रैल, १९५३ से २८ फरवरी, १९६१ के दरम्यान १,७१,०७८ .२४ रुपये ।

Boarding stipends to S. C. and S.T. Students in Tripura

3019. Shri Dasaratha Deb: Will the Minister of **Education** be pleased to state:

(a) whether Scheduled Tribe students residing in boarding houses constructed with Government aid at the following places of Tripura get any boarding stipend:—(i) Damchhera, (ii) Fatickra High School (Kailashahar), (iii) Ramesh High School (Udaipur), (iv) Maw Bazar (Subroom), (iv) Netaji Subhas Bidya Niketan (Agartala), (iv) Pragati Bidyabhawan (Agartala), (vii) Bardwali High School, (Agartala), (viii) Katlamara (Sadar);

(b) if not, the reasons therefor; and

(c) whether Government propose to extend boarding stipends to Scheduled Caste students residing in private boarding houses?

The Minister of Education (Dr. K. L. Shrimali): (a) to (c). The information is being collected and will be laid on the Table of the Lok Sabha in due course.

Admission Tests for Tripura Students

3020. Shri Dasaratha Deb: Will the Minister of **Education** be pleased to state:

(a) the total number of students who appeared in admission tests in 1961 in the High and Higher Secondary Schools of Tripura for getting admitted in Classes VI to XI;

(b) the total number of students admitted in these classes after such tests;

(c) the total number of Scheduled Tribe and Scheduled Caste students who appeared in such tests;

(d) the total number of Scheduled Tribe and Scheduled Caste students admitted after such tests; and

(e) what arrangement, if any, has been made to accommodate rest of the students who failed to get accommodation in existing schools,

The Minister of Education (Dr. K. L. Shrimali): (a) to (e). The information is being collected from the Tripura Administration and will be laid on the Table of the Lok Sabha in due course.

High School Near Agartala Airport

3021. Shri Dasaratha Deb: Will the Minister of **Education** be pleased to state:

(a) whether there is any High or Higher Secondary School near Agartala Airport, Tripura; and

(b) whether the employees of the Airport demanded a High or Higher Secondary School there for their children?

The Minister of Education (Dr. K. L. Shrimali): (a) No, Sir.

(b) Yes a demand was made but the assessment of the Administration is that the size of the likely enrolment was not such as would justify the outlay by the Administration on establishing a High school which could later be developed as a Higher Secondary School.

Old Palace of Manipur

3022. Shri L. Achaw Singh: Will the Minister of **Scientific Research and Cultural Affairs** be pleased to state:

(a) whether the old palace of Manipur and the old Govindji Temple at Imphal have been preserved by the Government or abandoned; and

(b) if abandoned, the reasons therefor?

The Deputy Minister of Scientific Research and Cultural Affairs (Dr. M. M. Das): (a) and (b). They are not protected monuments and there is no proposal to protect them, as they are not of national importance.

A rare species of Flower in Ukhrul, Manipur

3023. Shri L. Achaw Singh: Will the Minister of **Scientific Research and Cultural Affairs** be pleased to state:

(a) whether it is a fact that a rare species of a flower popularly known as 'Siroy Lily' is found on a hill about 6000 ft. above sea-level in Ukhrul, Manipur; and

(b) if so, whether it is also a fact that every year a large quantity of the flower is exported from India?

The Deputy Minister of Scientific Research and Cultural Affairs (Dr. M. M. Das): (a) Yes, Sir.

(b) As this flower is not separately specified in the trade classification of the country, no statistics regarding its export are available.

Distribution of Surplus Land to Landless Labourers in Orissa

3024. Shri Kumbhar: Will the Minister of **Home Affairs** be pleased to state:

(a) whether there was a proposal under Orissa State Government for distribution of surplus lands among the landless labourers in the State;

(b) if so, the nature of this scheme; and

(c) steps taken for the implementations of the scheme so far?

The Minister of State in the Ministry of Home Affairs (Shri Datar): (a) to (c). Section 46(2)(d) of the Orissa Land Reforms Act provides for the distribution of surplus lands to landless persons and the provisions of this Act have yet to be brought into force.

Hindi in Kerala

3025. Shri Maniyangadan: Will the Minister of **Education** be pleased to state:

(a) whether any scheme for the spread of Hindi in Kerala has been submitted before Government by the Kerala Grandhasala Sangham;

(b) what is the scheme; and

(c) what steps, if any, are taken by Government for implementing the scheme?

The Minister of Education (Dr. K. L. Shrimali): (a) and (b). The Kerala Grandhasala Sangham has applied for financial assistance in respect of the following schemes:

(1) Starting Hindi wings in 500 libraries.

(2) Conducting Hindi classes in 500 libraries.

(3) Payment of allowance to 500 librarians.

(4) Appointment of five supervisors and five organisers.

(5) Purchase of a mobile book van with audio-visual set.

(6) Celebration of Hindi Day in 500 libraries.

(7) Addition of Hindi Section in the 'Grandhaloka' the present official organ of the Grandhasala Sangham.

(8) Deputation of librarians to North Indian Hindi libraries for training.

(9) Additional accommodation in each of the 500 libraries.

(c) The request is under examination.

Seizure of Pakistan Currency

3026. Shri Assar: Will the Minister of Finance be pleased to state:

(a) whether it is a fact that Pakistan currency notes worth 3,000 rupees were seized in Central Bombay by Central Finance Ministry Enforcement Directorate on the 24th March, 1961; and

(b) if so, the details thereof?

The Minister of Finance (Shri Morarji Desai): (a) and (b). On a search of certain premises at Bombay under section 19(3) of the Foreign Exchange Regulation Act, the officers of the Enforcement Directorate, Ministry of Finance, seized 30 Pakistan currency notes of Rs. 100 each and some documents on the 23rd March, 1961. These documents are now under scrutiny by the said Directorate. As the case is still under investigation, it is not possible to disclose further details at this stage.

Central Bank Governors' Conference

3027. Shri P. C. Borooah: Will the Minister of Finance be pleased to state:

(a) whether India has decided to send her representative to attend a Central Bank Governors' Conference to be held in Tokyo in the first week of April this year; and

(b) if so, what matters are proposed to be discussed in the Conference?

The Minister of Finance (Shri Morarji Desai): (a) and (b). A meeting of the Governors of the Central Banks of Japan, Australia, New Zealand, Ceylon, Pakistan and India was convened in Tokyo in the first week of April, 1961 to consider the report of the last Central Banking course held in Bombay in 1960 and to plan for the next course. The Governor of the Reserve Bank of India attended this meeting.

द्विविवाह

३०२८. श्री भक्त दर्शन : क्या गृह-कार्य मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि केन्द्रीय गृह-कार्य मंत्रालय ने राज्य सरकारों तथा संघ राज्य-क्षेत्रों को आदेश दिया है कि उन महिलाओं को, जिन्हों ने ऐसे व्यक्तियों से विवाह किया हो, जिन की पहली पत्नी जीवित हो, सरकारी नौकरियों पर नहीं रखा जावेगा;

(ख) यदि हां, तो क्या उस आदेश की एक प्रतिलिपि सभा-पटल पर रखी जायेगी; और

(ग) विभिन्न राज्य सरकारों ने उस आदेश पर अभी तक क्या कार्यवाही की है ?

गृह-कार्य मंत्रालय में राज्य मंत्री (श्री दातार) : (क) से (ग) केन्द्रीय सिविल सेवाओं तथा संघ राज्य क्षेत्र प्रशासनों को लागू होने वाले आदेशों की एक प्रतिलिपि सभा पटल पर रख दी गई है। [देखिये परिशिष्ट ५, अनुबन्ध संख्या ६] । इन आदेशों की एक प्रतिलिपि राज्य सरकारों को सूचनार्थ भेजी गयी थी । उन के द्वारा की मालूम नहीं है ।

Syllabus for Hindi in I.A.S. Examinations

3029. { **Shri Shree Narayan Das:**
Shri Radha Raman:

Will the Minister of **Home Affairs** be pleased to state:

(a) whether any definite syllabus for Hindi which has been included as an optional subject in the I.A.S. etc. examinations has been prescribed or is proposed to be prescribed; and

(b) if it has been prescribed, whether a copy of the same has been published?

The Minister of State in the Ministry of Home Affairs (Shri Datar): (a) and (b). The syllabus for Hindi has been indicated in Appendix II-B to the Rules for the I.A.S. etc. examination, which have been published in Part I, Section I of the Gazette of India dated 28th January, 1961. The syllabus is, however, reproduced below:

> Hindi:—Candidates will be expected to know the standard works in Hindi though questions on books of lesser importance may also be set. They will also be expected to possess a knowledge of the history of literature and such knowledge of general social history as will enable them to understand the literature.

Class IV Employees

3030. Shri Elayaperumal: Will the Minister of **Home Affairs** be pleased to state:

(a) whether it is a fact that Class IV officials of Government of India are not allowed to sit for the Hindi Assistant grade Examination when they have the necessary educational qualifications; and

(b) if so, what are the reasons?

The Minister of State in the Ministry of Home Affairs (Shri Datar): (a) and (b). A departmental examination for the selection of persons for appointment to posts of Hindi Assistants in the Ministries/Offices participating in the Central Secretariat Services Scheme were held by the Union Public Service Commission in June 1959, on an *ad hoc* basis and, in consultation with the Commission, it was decided that this examination should be open only to Upper Division Clerks/Lower Division Clerks of the Central Secretariat Clerical Service who were graduates with Hindi as a subject for the degree examination and who had completed a minimum service of one year as Lower Division Clerk or in a higher grade on 1st January 1959. There is no proposal to hold another such examination.

Assistants

3031. Shri M. B. Thakore: Will the Minister of **Home Affairs** be pleased to state:

(a) whether any relaxation in the minimum age limit has been granted to the Assistants for taking the Central Secretariat Service, Grade III (Direct Recruitment) Examination held by the U.P.S.C. every year;

(b) if so, whether the concession is admissible only to the Assistants working in the Central Secretarnat or is it admissible to all persons working in the Assistants' grade employed in the Attached/Subordinate offices including non-participating offices of Secretariat status; and

(c) if not, whether Government would consider the question of including the Assistants working in such offices also for the grant of this concession?

The Minister of State in the Ministry of Home Affairs (Shri Datar): (a) and (c). No relaxation in the minimum age limit is granted to Assistants of the Central Secretariat Service for appearing at the Competitive Examinations for direct recruitment to the grade of Section Officers viz. the I.A.S. etc. Combined Competitive Examination. However, as in the case of departmental candidates of the other Central Services, recruitment to which is made through the same examination, relaxation upto 3 years in the upper age limit is admissible to such Assistants whether employed in the Secretariat or in the non-Secretariat Offices, for the purpose of competing for recruitment to the grade of Section Officers at this examination. This concession is not allowed to Assistants who do not belong to the Central Secretariat Service, whether they may be employed in a Secretariat or in a non-Secretariat Office, as they cannot be considered to be "depatmental" candidates for the Section Officers' grade of this Service.

Mystery of Falling Stones in Rajendra Nagar, New Delhi

3032. **Shri D. C. Sharma:** Will the Minister of **Home Affairs** be pleased to state:

(a) whether it is a fact that stones and bottles have been falling on a row of 32 houses of a block in Rajinder Nagar, New Delhi for the past ten days;

(b) the number of persons injured or otherwise affected by the said phenomenon;

(c) if so, whether any investigation has been made; and

(d) if so, the result thereof?

The Minister of State in the Ministry of Home Affairs (Shri Datar): (a) and (b). On the 23rd March 1961, it was reported to the police that some stones were being thrown on a house in Old Rajinder Nagar. A police party immediately reached the spot and commenced enquiries. In the course of the investigation it came to notice that during the past few days some missiles consisting of small pieces of stones, ink bottles, bits of plaster, etc. were being thrown on the roofs of a block of houses in the locality. No person had received any injuries in these incidents.

(c) and (d). Yes. A police patrol was posted around the block of buildings and the nuisance came to an end. It is suspected that the mischief was due to some childish prank. No arrests have yet been made.

Seizure of Plastic Goods

3033. **Shri Kunhan:** Will the Minister of **Finance** be pleased to refer to the reply given to Unstarred Question No. 1475 on the 7th December, 1960 and state the action taken against the exporters of plastic goods M|s. Hotchand Jawaharmal, Calcutta?

The Minister of Finance (Shri Morarji Desai): Replies to the Show Cause Notices issued to the firm have since been received by the Calcutta Custom Authorities. The exporters requested a personal hearing, which was fixed for the 6th April, 1961. The case will be adjudicated by the Calcutta Customs Authorities after the personal hearing and considering the points arising therefrom.

Vocational Courses for Backward Class Students in Punjab

3034. **Shri Hem Raj:** Will the Minister of **Education** be pleased to state:

(a) the amount of grant given to the Punjab State Government during 1960-61 and proposed to be given during 1961-62 for award of scholarships to the students of Backward Classes studying in vocational coures; and

(b) whether it is a fact that most of the students of Backward Classes have not been paid the above scholarships upto date?

The Minister of Education (Dr. K. L. Shrimali): (a) A sum of Rs. 15,36,500 was given to the Government of Punjab for the award of scholarships to the Scheduled Castes, Scheduled Tribes and Other Backward Classes students for post-Matric studies (including vocational courses) during 1960-61. Allocation of funds for the year 1961-62 will be made only after funds for the current year become available. Separate grants are not made for the various courses of study pursued by the students.

(b) No, Sir.

According to the information furnished by the State Government, scholarships have been paid to all the eligible students belonging to Scheduled Castes, Scheduled Tribes and Other Backward Classes during 1960-61

Primary Education in Himachal Pradesh

3035. **Shri Hem Raj:** Will the Minister of **Education** be pleased to state:

(a) the amount of grant proposed to be given for the spread of free primary education to Himachal Pradesh Administration during 1961-62;

(b) whether it is a fact that one primary school has been proposed to be opened within a radius of two miles and a population of five hundred;

(c) whether it is also a fact that this principle which has been proposed for the plains is not beneficial to the hills; and

(d) if so, whether Government propose to amend it for the hills by shortening the distance to one mile and population to two hundred and fifty only?

The Minister of Education (Dr. K. L. Shrimali): (a) Primary education in Himachal Pradesh has been entrusted to the Territorial Council. The quantum of grant payable to the Council under the Territorial Council's Act 1956 for the financial year 1961-62 has not yet been determined.

(b), (c) and (d). An Educational Survey of India was carried out in 1957—59. In that Survey areas for Primary Schools have been planned roughly on the basis of providing a school within a radius of one to one and a half mile from the home of every child except in very sparsely populated areas. This estimate is not intended to be rigidly interpreted and it is for the concerned State Governments/Union Territory Administrations to take decisions regarding the actual locations of new schools to be opened in according with the requirements and conditions prevailing in their respective areas.

12.05 hrs.

OBITUARY REFERENCE

Mr. Speaker: I have to inform the House of the sad demise of Dr. Natabar Pandey who passed away at Jharsuguda in Orissa on the 7th April, 1961, at the age of 53. Dr. Pandey was a Member of the first Lok Sabha from the Sambalpur constituency of Orissa during the years 1952 to 1956 when he resigned his seat from the House.

We deeply mourn the loss of the friend and I am sure the House join me in conveying our condolences to the bereaved family.

May I request the House to stand in silence for a short while to express its sorrow?

The Members then stood in silence for a minute.

RE. MOTIONS FOR ADJOURNMENT

Shri Muhammed Elias (Howrah): Before you take up the next item on the agenda, may I make a short submission regarding the two Adjournment Motions? You have been pleased to convert one of them and admit it as a Calling Attention Notice. That was with regard to the accident to the *Dara*, in which hundreds of Indian nationals have sustained injuries or died. About the second item, no reason has been stated as to why it has been rejected. It is a very serious matter. The Minister concerned is also present here. Thousands of factories are being closed down in Calcutta and Howrah. The whole city life has been disrupted as the authorities have failed to supply power.

Mr. Speaker: Hon. Members in their enthusiasm want to resort to Adjournment Motions. The hon. Member wants to know why power is not supplied to Calcutta. Only the other day, there has been a question with respect to the DVC as to how far it is able to produce sufficient power and so on. It is a continuing affair. Hon. Members must know that they can bring up by way of Adjournment Motions only those things which are of recent occurrence, say, yesterday or the day before. Secondly, it must be of urgent public importance, and it ought not to be a continuing affair, etc. This is a continuing affair and cannot be disposed of by way of an Adjournment Motion. That is one of the reasons for my disallowing it. I do not give all the reasons. If I mention one reason, immediately, hon. Members will go on discussing whether that reason is right or wrong! Then they will apply themselves to these reasons and exhaust them.

Shri Muhammed Elias: It is not a continuing matter. Last week, suddenly, the whole power has been stopped, and the whole city life has been disrupted. Hundreds of factories have closed down and hundreds of thousands of workers have been thrown out of employment there. It is the duty of the Government to intervene with the DVC and other authorities to restore the supply of power. The hon. Minister is present here and at least let him make a statement.

Mr. Speaker: Shri Hathi was here and I asked him about a similar question possibly put by the same hon. Member regarding the supply of power to Calcutta. There is a Government there and they will write to them. They will know their difficulties. Once again every day he is putting that question. I am aware that the hon. Member is very much interested in his constituency and he comes from that constituency. (*Interruptions*). Let him hold his soul in patience.

12.12 hrs.

STATEMENT *RE.* COL. BHATTACHARJEE

The Minister of Home Affairs (Shri Lal Bahadur Shastri): I shall say a few words as to how Col. Bhattacharjee is. The House was anxious to know. No one on our behalf has been able to interview Col. Bhattacharjee, but the Pakistan Government has stated that Col. Bhattacharjee has received only a minor injury and that he is well and is able to walk about in a normal manner. They have also stated that he is being properly looked after.

Some Hon. Members *rose*—

Mr. Speaker: That is all the information he has. The hon. Minister said he will get the information. Nobody can force....

Shri Hem Barua (Gauhati): It appears that Pakistan has rejected our protest. They have said, he was apprehended inside their territory while engaged in spying. These charges were made and the hon. Minister is silent on that.

Mr. Speaker: Does the hon. Member want our Minister to accept it?

Shri Hem Barua: No; he must deny it categorically.

Mr. Speaker: Hon. Members wanted certain information regarding the gun-shot wound and his present condition The hon. Minister said he will get the information and the information he can get is only through that Government or through our Deputy High Commissioner. He also has to take permission before having an interview. We read in the morning papers that permission for an interview was not granted. In this matter, we are entirely in the hands of a foreign Government.

Shri Braj Raj Singh (Firozabad): Let us know what we are doing about his release.

Shri Hem Barua: There is a discrepancy between what the hon. Parliamentary Secretary said and what the hon. Minister has said. That is why we must be enlightened on this.

Shri Nath Pai (Rajapur): The hon. Minister just now stated that all that we know about Col. Bhattacharjee is that he is in the custody of the Pakistan Government, and the Pakistan Government has been kind enough to inform us that he is safe and well looked after. The House is very much interested in knowing what steps the Government of India propose to see that if he is to be tried as accused of spying he will be well defended and secondly to procure his early release.

Shri Lal Bahadur Shastri: Hon. Members are rather in a hurry, if they will permit me to say so. They must feel assured that the Government of India will do its best, whatever it can in the circumstances. Our Deputy High Commissioner has already taken up this matter with the East Bengal Government. The East Bengal Government has advised the Deputy High Commissioner that he should take up the matter with the Pakistan Central Government through the High Commissioner. The High Commissioner will try to do all he care in this regard.

Shri Braj Raj Singh: He has not done it so far?

Shri Lal Bahadur Shastri: I would appeal to hon. Members that this is a matter in which it is not possible for me to furnish all the information. In the circumstances, it is better that the hon. Members should wait. If there is anything further to inform the hon. Members, I will certainly do so.

Shri Sadhan Gupta (Calcutta-East): May I seek some information?

Mr. Speaker: There are certain matters regarding how a Government can be carried on. To some extent, we can call upon the Minister to disclose information to us. This is a delicate matter where the other side is accusing that that gentleman was a spy and not a mere person who went to the border; he has been shot at least he should escape. This sort of news has appeared. If you accept, there is difficulty. If you deny, you may or may not be correct, God alone knows. Therefore, some kind of latitude must be given to the hon. Minister, who has assured us that every possible step will be taken. There is a limit to this.

Shri Sadhan Gupta: I want an innocuous information as to whether he is lodged in Dacca or Jessore?

Mr. Speaker: The hon. Defence Minister.

12.15 hrs.

STATEMENT *RE.* ALLEGED INCIDENT ON JAMMU AND KASHMIR CEASE-FIRE LINE

The Minister of Defence (Shri Krishna Menon): Mr. Speaker, Sir, the Government undertook last Friday to give such information as would become available with regard to the alleged incident on the Jammu and Kashmir cease-fire line. I said at

[Shri Krishna Menon]

that time that we had no information. That is technically correct, because there was no incident on the 5th April. But there was an incident on the 3rd April and the Ministry had information about it. I had only returned home that morning, but it is not an unusual incident and nobody on our side was killed.

What actually happened was that certain foreign personnel were cutting trees in this area Annexe 1 to 18, about 16 miles south-east of Ranbirsinghpura and our border police asked them not to do so. The Pakistan border police opened fire with light machine guns and rifles when our police asked them not to cut trees. Our police returned the fire. There have been no casualties on our side. We have no reports whether there were casualties or not on the other side.

The usual procedure in this matter is to report it to the United Nations Observer Team. This, Mr. Speaker, is not an unusual occurance. It comes to Government in the usual army intelligence reports and such incidents are reported to the U.N. observers. If I may mention it, the army cannot operate in this area under the cease-fire agreement. That is why the armed police operate.

Mr. Speaker: Is the armed police under the control of the army?

Shri Krishna Menon: Everything is under the control of the army in a general sense, but the point is: army personnel cannot go into that five mile area on either side of the cease-fire line. All I can say is this, that we observe this rule strictly. I do not like to say whether others do it or not. There were no casualties on our side.

12.17 hrs.

PAPERS LAID ON THE TABLE

AMENDMENT TO THE DELHI MUNICIPAL CORPORATION (FACILITIES FOR MAYOR) RULES 1958

The Minister of State in the Ministry of Home Affairs (Shri Datar): I beg to lay on the Table a copy of Notification No. 21/13/60-Delhi published in Delhi Gazette dated the 18th March, 1961 making certain amendment to the Delhi Municipal Corporation (Facilities for Mayor) Rules, 1958, under sub-section (2) of Section 479 of the Delhi Municipal Corporation Act, 1957. [Placed in Library, *See* No. LT-2822/61].

NOTIFICATION UNDER INDUSTRIES (DEVELOPMENT AND REGULATION) ACT, 1951

The Minister of Industries (Shri Manubhai Shah): I beg to lay on the Table a copy of Notification No. S.O. 2688 dated the 4th November, 1960, under proviso to sub-section (2) of Section 18A of the Industries (Development and Regulation) Act, 1951. [Placed in Library, *See* No. LT-2823/61].

ESTIMATES COMMITTEE

HUNDRED AND TWENTY-EIGHTH REPORT

Shri H. C. Dasappa (Bangalore): I beg to present the Hundred and twenty-eighth Report of the Estimates Committee on the Ministry of Food and Agriculture (Department of Food)—Central Warehousing Corporation.

12.18 hrs.

DEMANDS FOR GRANTS—*contd.*

MINISTRY OF COMMERCE AND INDUSTRY—*contd.*

Mr. Speaker: The House will now resume further discussion and voting on the demands for grants under the

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*Moved with the recommendation of the President.

control of the Ministry of Commerce and Industry. The time allotted is 8 hours. Time taken is 2 hours 25 minutes. The balance is 5 hours 35 minutes.

An Hon. Member: The Minister may reply tomorrow.

Mr. Speaker: May I request the hon. Minister to reply tomorrow?

The Minister of Commerce and Industry (Shri K. C. Reddy): Yes, Sir.

Mr. Speaker: So, this will go on till 6 o'clock and the hon. Minister will reply tomorrow. In between some other Ministers are likely to intervene?

Shri K. C. Reddy: Yes, Sir; two of my colleagues, Shri Kanungo, the Minister of Commerce and Shri Manubhai Shah, the Minister of Industry will intervene.

Mr. Speaker: Shri Ajit Singh Sarhadi may continue his speech.

Shri Ajit Singh Sarhadi (Ludhiana): I was submitting the other day that the machine tool industry has to play a very important role in the industrial development of the country. Therefore, it is very necessary that its scope should not be limited.

Shri Nath Pai (Rajapur): We find that the time allotted to the debate is taken largely by the Government benches themselves. They initiate the debate, the junior Ministers intervene and finally the Minister winds up the discussion. The total effect of this is that the time available for the House for proper scrutiny of their work is taken away.

Mr. Speaker: I have repeatedly said that not one single Member from the Opposition suffers from this. Time is given on a party basis. 40 per cent. is given to the opposition and 60 per cent. is given to the Congress. The time taken by the Ministers is taken away from the time allotted to the Congress benches. We will assume they do not put up any of their speakers. The opposition cannot insist upon the speakers coming from the Congress side; it is their look-out. Therefore, I will allow time subject to their adjustment.

Shri Ajit Singh Sarhadi: I was submitting about the important role of the machine tool industry. Therefore, its scope should not be limited to the heavy industries only, but it should be extended to the small sector also.

In this connection, I may submit that we are importing nearly Rs. 15 crores worth of machine tools. If the National Small Industries Corporation takes up this question in sectors where there is concentration of small-scale industries, we will be able to develop the machine tool industry in small industries also. In this connection, Punjab, I would submit, offers a very favourable potential, and I hope the hon. Minister will look into this.

12.21 hrs.

[MR. DEPUTY-SPEAKER *in the Chair*].

Before I deal with the small-scale industries sector, I have got one or two points to make in regard to the heavy industries. I am glad that the second project for the manufacture of heavy electrical equipment is proposed to be established by utilising a portion of the 15 million rouble credit to be extended by the Soviet Russia. I also understand that the inspection team has considered Nangal to be the best site for the purpose. I hope and believe that the Ministry will keep the claim of Nangal in this connection, because it has been found to be most suitable from the point of view of climate, presence of water and other things, and consider the case on its merits rather than be guided by the threat which the hon. Member Shri V. P. Nayar gave yesterday while putting forward the claim of Kerala. Of course, as I said, the question of regional disparity

[Ajit Singh Sarhadi]

should be considered, but the suitability of a particular site has also to be kept in view.

I would like to make a small reference about the Nangal fertiliser factory. I am glad that it has gone into production. But the other day I put a question as to whether this factory was remaining idle because of the lack of power. I was told by the hon. Deputy Minister for Irrigation and Power, Shri Hathi, that my information was wrong. I would like to draw the attention of the hon. Minister to his own report where on page 64 it has been stated:

> "The production in the factory is tied up with supply of power from Bhakra which has been delayed. It is expected that power will be supplied by the end of 1960. After the first quantum of power is made available various plants will be started in succession and it will take about 13 to 14 weeks thereafter to produce the first lot of fertiliser."

It has come in as a surprise. The Deputy Minister for Irrigation and Power said that there was no delay, whereas the Ministry of Commerce and Industry says in this report that the delay has been there and it has been mainly due to lack of power. This shows that there is lack of co-ordination somewhere and the delay is actually there. Therefore, in the matter of power which forms the basis of industry, the Ministry of Commerce and Industry should consider how they can have a little more and better co-ordination.

In the matter of fertiliser, I find from the report that both the factories of Sindri as well as Nangal have been merged into one fertiliser cooperation. The Minister might have found it advisable, but certainly I would ask the Minister to appreciate one thing. Would it not have been better if there had been healthy competition between the public undertakings also? Of course, I am aware of the recommendations of the Estimates Committee, where they have suggested a pattern in which the utilisation of the existing plants should be resorted to rather than have more expansion. But, at the same time, they have qualified their recommendations with the words:

> "But this does not mean that when a line activity has the character of being or becoming huge and monopolistic and is not of strategic significance, more than one unit should not be set up for the purpose."

Therefore, it would have been better—and I would ask the Minister to think over it—in the interests of the consumers to have two different units and allow them to have a sort of healthy competition rather than have them merged into one huge corporation.

After dealing with this, Sir, I shall straightaway take up the small-scale industries sector. I believe, the hon. Minister of Industry who is very much alive to all these issues and is also aware that the old fallacy has already been exposed, the old fallacy that the large-scale industries would be able to absorb all the unemployed people in the country. We had targeted for absorption in the Second Plan of 6.5 million people. According to the figures available, we have been able to absorb only 5 million people. Therefore, we are starting the Third Plan with a back-log of 1·5 million unemployed people. In the Third Plan it is expected, according to the reports, we would be able to absorb 10.5 million people out of a total of 15 million unemployed people.

There is another school of thought also. It is the view that at the end of the Third Plan we will have nearly 20 million unemployed people in our country.

So, Sir, this clearly indicates that the heavy industries are not able to cope with the unemployment problem that we are going to have by the end of the next five years—I am talking of the problem outside the

agricultural sector. Therefore, we have to find out ways to absorb this amount of unemployed personnel. For that purpose, Sir, we have got only one way. We can do that only through small-scale industries, village industries and cottage industries. I am not against the development of the country by having heavy industries. But I would submit that in the Third Plan emphasis should be laid on the small-scale industries.

I know that the efforts of the hon. Minister have brought in a lot of improvement. In the Second Plan, I understand, Rs. 550 crores have been spent on the small-scale industries—Rs. 180 crores in the public sector and Rs. 360 crore in the private sector. He is now targeting for Rs. 250 crores to Rs. 300 crores in the public sector and Rs. 600 crores in the private sector. That would be a very creditable achievement. But still I feel that some formula should be evolved so that there is greater emphasis on the small-scale industries. In order to implement that formula, if necessary, some legislation must be undertaken, whereby the heavy industries or the large-scale industries must depend for their ancillaries, for their components on the small-scale industries. That alone would be able to solve the problem of unemployment in the country; otherwise, it would be very difficult for the heavy industries to be able to provide employment for all the unemployed people in the country.

We know very well that we have spent nearly Rs. 500 crores on the three steel plants at Rourkela, Bhilai etc. What is the employment potential there as compared to the small-scale industries? Let us take a case in Punjab. There is the heavy bicycle industry at Calcutta. What is the number of people employed there? 43,000 bicycles are exported from Punjab. If you compare the figures of people employed in both these cases, the difference is quite obvious. Therefore, my submission is that legislation is called for for the purpose of developing and giving opportunity to small-scale industries.

Then we must consider as to what is necessary for developing the small-scale industries. That is our basic policy in accordance with the Industrial Policy Resolution of 1956. I would ask the hon. Minister to see whether we are giving them the necessary finance, the necessary technical know-how etc., whether we are standardising the products and whether we are providing them the necessary marketing facilities. I would respectfully submit that it is very necessary that each State should have a Small-scale Industries Corporation. If I correctly remember, I think that was announced by the hon. Minister.

The Minister of Industry (Shri Manubhai Shah): For the information of the hon. Member, I may say that these corporations are being set up in each State and already six corporations are in existence.

Shri Ajit Singh Sarhadi: I am glad that they are coming up. But we have got one Finance Corporation in Punjab. It has got a capital of Rs. 50 lakhs. It has taken a loan—I am speaking from memory—of nearly Rs. 2 crores and has by this time Rs. 90 lakhs—I am not sure about the figures. It is not catering to Punjab alone. It is catering to both Punjab and Delhi. Delhi has got the National Small-scale Industries Corporation which is also catering for Delhi. Of course, we are grateful to the hon. Minister for giving at Ludhiana a prototype-cum-training centre. He has also said that Punjab will have priority in that connection. I am, therefore, glad that he is giving attention to Punjab. But certainly in the matter of finance for the small-scale industries there is much more to be done. As far as technical know-how is concerned, we have got sufficient in Punjab. But I submit that it is very necessary that emphasis should be laid in the matter of finance and it should be provided.

[Shri Ajit Singh Sarhadi]

That can only be done if the Centre helps the small State Industries Corporations sufficiently, if the Centre helps the State corporations that are being set up in a much bigger way.

Now I come to another point, and that pertains to industrial estates. Establishment of industrial estates is one way by which we would be able to provide employment to people. The basic policy of the Government is that industrial estates should be established in the rural areas. The entire finance for small industrial estates is provided by the Centre to the States. It is envisaged or visualized that in the next five years there will be 500 industrial estates, 200 in the rural areas and 300 in the urban areas for which purpose Rs. 27 crores have been allocated. My first contention is that the amount that has been allocated for the industrial estates is small. Secondly, the allocation towards the rural sector is very much small. If we want unemployment to be removed and we are sincere about it, it is most necessary that the industrial estates should be located more in the rural areas than in the urban areas. The first and primary consideration in the establishment of industrial estates should be that they should not go into the hands of bigger people and rich magnates in the industry. It has been our unfortunate experience, and I am sure the hon. Minister of Industries will agree with me, that in the set up of the present industrial estates, most of them have gone into the hands of bigger people. Of course, he can disagree with me but, in that case, he has not been rightly informed about it. It would be better if the industrial estates are established in the rural areas. Also, while giving finance to the States, the Centre should insist on the condition that they will be in the rural areas.

I will refer to one or two local issues before I conclude. My grouse has always been that the textile industry in the Punjab has been suffering very much despite the fact that Punjab offers vast potential in the matter of textiles because it is a cotton producing State. In the matter of cement also, we have got only two factories, one at Dadri and another at Surajpur. In the expansion scheme, Punjab is nowhere in the map at all, though we had expected that we will have a place in the Third Plan. Punjab offers potentialities and a very favourable ground for the purpose of establishing industries like cement, textiles and also paper, because it has some sugar factories from which it can get *bagasse*, which is the raw material neded for the paper industry. I hope all these points will be taken into consideration by Government.

There is another aspect. As the hon. Minister is aware, in the Second Plan, Punjab had targeted for a co-operative spining plant, textile finishing plant, hosiery and needle plant and one electric furnace. None of them have been established, except the needle plant which has come into being, although the Second Plan period is over. I would like to know from the hon. Minister the reasons for this. Is it because of the fault of the Punjab Government or because the licences have not been issued by the Centre? Some attention will have to be paid to this question as the House is anxious to know why Punjab has been neglected like this.

I will come to the last point, which pertains to the woollen industry. The hon. Minister will be aware that only the other day, the General Secretary of the Textile Manufacturers' Association, Amritsar, stated in the annual general meeting that the textile industry in Punjab has been starving of raw materials, namely, artificial silk yarn, sari woollen yarn, wool tops and worsted woollen weaving yarn. He also stated that the industry was not getting adequate quantities of coal. Leaving aside coal, the rest of the requirements of the woollen industry need urgent attention. I

would submit that there should be a long-range policy about the supply of these things. We should also consider whether we should leave the reasonableness of the prices as well as adequate supply in the hands of the spinners' association or whether it should be taken in the public sector by the National Small-scale Industries Corporation. Now the woollen industry in Punjab is starving and many of the units have been closed down in Amritsar. So, some urgent attention should be paid to this aspect of the matter. With these remarks, I support the Demands of the Ministry of Commerce and Industry.

Mr. Deputy-Speaker: Any hon. Member from the opposition wants to take part? None. Then, all of them will come at the same time and ask me to accommodate every one of them. Shri Braj Raj Singh has written to me. On the first day he was absent. Today also he is not seen in his seat. Any hon. Member from any other group that has not so far been given any opportunity? None. Shri Kodiyan.

Shri Kodiyan (Quilon-Reserved--Sch. Castes): I will refer briefly only to one point, and that is about our foreign trade, with special emphasis on export promotion. Several hon. Members have already referred to this important aspect of our economic development. The continued imbalance in our foreign trade has become a very serious problem. The most distressing aspect of this problem is that the gap between import and export is not only continuing but is increasing year by year. During the Second Plan, our export earning has remained stagnant with an annual average of Rs. 615 crores. The adverse trade balance in 1959 was to the tune of Rs. 264 crores. In 1960 it rose to Rs. 364 crores. The stagnant position in our export has compelled us to resort to foreign aid on a large scale for financing our inflated import bill. It is quite clear that by March 1960 our outstanding foreign debts to be repayable in foreign currencies might have risen to Rs. 782 crores. If the official estimates of likely earnings from exports are to be relied upon, they can finance our import level barely sufficiently to meet the maintenance needs of the economy. This means that, in addition to Rs. 2,100 crores to finance the import of machinery and equipment and raw materials, we will have to raise an additional loan of Rs. 600 crores to repay our foreign debt, which has to be repatriated during the Third Plan. If we continue to borrow from foreign countries, we must be able to repay it. Therefore, there is a limit to our borrowing and we cannot continue to borrow from foreign countries without seriously damaging the credit-worthiness of our country in the international market.

This brings to the fore the vital importance of export promotion. I have referred to this aspect in order to emphasize the importance of export promotion. I do admit the fact that Government have taken several measures during the last two or three years to step up our exports. Various incentive schemes have been worked out, our publicity in foreign countries has been intensified and delegations have been sent abroad. But, despite all these measures, the adverse balance position still remains and, as I have already pointed out, it is increasing year by year. Therefore, we must view this problem from a long-term perspective. This problem has two aspects, namely, long-term and short-term aspects.

What all steps Governmnet have taken only deal with the short-term aspect of the problem. With regard to the long-term aspect my complaint is that neither the Planning Commission nor the Government have prepared a long-term perspective plan for increasing our export trade. Somewhere there must be a balance between our imports and exports. Not only that we must strike a balance between imports and exports but we must be able to produce and export more in order to release the more surplus commodities for export so that we can not only

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equalise our exports with imports but we may also be able to pay back the foreign debt obligations.

I find that various exports promotion councils have been set up by the Government, hardly I find a member from the Parliament in these councils. They are filled with officials and representatives of big business. Members of Parliament must be associated with these. Officials and businessmen cannot have a broad view of this problem. Members of Parliament may not have practical experience regarding this but they will have a broader view of the problem. Therefore I request the hon. Minister to associate Members of Parliament with these various export promotion councils.

I was referring to the need for having a long-term plan to step up our exports. Export promotion is not only confined to the Ministry of Commerce and Industry. Various other ministries which have to deal with commodities that may be exported to other countries come into the picture. Unless we raise internal production and expand the export capacity of our economy we cannot achieve this target. But my complaint is that no firm target has been fixed for striking a balance between imports and exports. There is no co-ordination between the various ministries. When I say that production must be increased, I mean not only industrial production but also agricultural production. Take for example our textile industry. Our export is declining. Why? The main reason is that production of raw cotton has been on the decline for the last few years. That is also the case with jute. A few years ago we were forced to import jute from Pakistan.

I will quote another example. We have immense possibilities of stepping up our export of fish products. Export of fish products has risen to Rs. 13 crores but no serious attempt is made to increase the production of fish in our country. We have some richest fishing grounds. The Wadge Bank and the Pedro Bank are two of few of the richest fishing grounds in the world. Recently in answer to a question by my hon. friend, Shri V. P. Nayar, as to what steps have been taken to exploit commercially these rich fishing grounds the reply given was that investigations did not give a complete picture of the potential of these grounds. This reply, Shri Nayar, tells me, was given in 1951 also when the same question was put to the Government by the same hon. Member. So, you can see the callousness of our Government for developing the potential of our country which may fetch big foreign exchange returns.

Then there is the question of cash crops. In the cultivation of cashew and in the production of pepper no appreciable increase has been made. We have found that Government are taking steps to increase production. Minister after Minister, the Cabinet Minister and his deputies have been exhorting the industrialists and the traders to export more and more to foreign countries. But take, for example, the woollen industry. What is the position? It has not got the modern machinery to produce the quality goods that are needed in the foreign markets. Take for example, the engineering industry. I understand that only less than 50 per cent of the installed capacity is being utilised now. The engineering industry has immense scope in the export market. Actually, the export earning of engineering goods has increased from Rs. 4 crores to Rs. 9.5 crores.

Then there is the coir industry. Our export market is declining. We must diversify the production in the coir industry But for that the industry must be modernised and so far there is no plan to modernise the coir industry. So the question of export promotion is a wider question of not only finding the necessary market in foreign countries but also increasing our production in the industrial as well as in the agricultural sector.

The Ministry of Steel, Mines and Fuel also comes into the picture because if we increase the mineral production, that also will give us scope for exporting it to foreign countries. Then, the Ministry of Transport and Communications has also a role to play in export promotion. We are depending on foreign ships to transport the foodgrains that we are importing from America under PL 480. It is said that half the quantiy of these foodgrains is to be imported in Indian ships, but the Transport and Communications Ministry is finding it difficult to provide Indian ships for importing these foodgrains. So valuable foreign exchange by way of freight to the foreign shipping companies is being drained away. Therefore export promotion is a wider question and there must be proper coordination between the various ministries concerned. They must have a long-term perspective and the Government should prepare a long-term plan for stepping up our export trade.

Another point is with regard to the State Trading Corporation. I would request the hon. Minister to widen the scope of the activities of the State Trading Corporation. The State Trading Corporation should take over export of leading commodities. I would particularly request the hon. Minister to see that foreign trade in spices is taken over by the State Trading Corporation.

Another point and I have done. It is with regard to the need for expanding our trade with the socialist countries. During the last few years our trade with the socialist countries has increased considerably, but even today the bulk of our foreign trade is with the western countries. When I say this, I should not be understood as attempting to draw our country away from the Western countries and making it dependent upon socialist countries. That is not my point. In the present context of international market, we must realise the fact that for many of our commodities, the demand is decreasing. So we must depend on particular countries alone. A commodity should be exported to as many countries as possible. Diversification of trade is an essential need for expanding our foreign trade. We must enter into bilateral agreements with foreign countries.

Under P L 480 we are importing foodgrains worth Rs. 700 crores and a portion of this is given to us as grant, Even then a considerable amount has to be repaid.

Mr. Deputy-Speaker: The hon. Member must now conclude.

Shri Kodiyan: We have to pay that in mony. Instead of paying in money why can't we not enter into an agreement with the United States of America that for the money that is repayable to America under P L 480 programme, America will purchase Indian goods. If we enter into such agreements on commodity basis, it will help our country very much to reduce the foreign exchange crisis.

Shri Heda (Nizamabad): Mr. Deputy-Speaker, Sir, I am glad that my hon. friend on the Opposition has referred to the export promotion. I would like to refer to the same subject.

I feel that the quantum of foreing trade decides the prosperity and the level of industrial standard of a particular country and we in India—and when I say "we", I mean both the Government, the industry and trade—are not giving it the attention that it deserves.

Let us first look at the state of affairs. The quantum of foreign trade of India is very deplorable. If we take the percentage of our foreign trade with the total national income of India, it is only 12 per cent, and I think nowheres is it so less. Even in countries like Ceylon it is 70 per cent. Of course, Japan and other countries are very well konwn for their foreign trade. From another angle, if we take the *per capita* foreign trade, India has got only 7.9 dollars *per capita* foreign trade; while in the case of Ceylon it is 83 dollars and in the case of Japan it is 76 dollars. I am not referring here to

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big countries like Denmark, Switzerland or Canada, whose *per capita* foreign trade is as much as 700 dollars.

The point is that we have not developed our foreign trade because of the size of our home market. Our home market is a very big one and every industrialist, and for that matter even the Government takes care of the home market, with the result that manufacture is patterned according to home consumption. But the home market however vast it may be will not bring the prosperity that we need and therefore we have to expand our foreign trade. I will just give an example.

We were doing very good export in textiles. But about three years back there was a shortage in India of textiles and what we did was that we shrank our foreign export to allow for adequate consumption in the home market. This had a very adverse effect. This resulted in the permanent shrinkage of our foreign trade so far as textiles were concerned and this happened in spite of the fact that from London to Tokyo everywhere in the textile trade the Indian business community is there. It was a big surprise for me to see that even in Manchester and Hong Kong Indians are the whole-sale dealers in textiles, and they cater to the needs of all the countries, whether in Africa, or Middle-East or South-East Asian regions.

In this connection the Prime Minister has made certain remarks and I found one of the sentences has been put in bold letters in the Minister's office, that we should promote exports even at the cost of starvation. We may starve ourselves, but we should export. This was the slogan given by the Prime Minister and I hope the day will not be far off when that spirit will be infused in the business and trade as also Government.

Sir, last year I had the good fortune to visit the headquarters of the ECAFE, the Economic Commission for Asia and the Far East, in Bangkok. I formed a very good opinion of it and was convinced that here is a forum which we may exploit to the full and thereby promote our foreign trade. I noticed that a good number of economists, noted ones, were working in this office and it was a heartening feature to see that quite a few Indians were also there. The foreign economists on this Commission in Bangkok were happy with the Indian personnel and wanted more association from Indian economists. I think it would be forthcoming.

One salient feature of independent economists is that they have got no interest, as industrialists or traders have. Traders and industrialists, however national-minded or patriotic they may be, cannot go beyond their interests. Similarly, we, who are in politics or administration have our own shortcomings. Generally, we have to look after the immediate programme and therefore we cannot take a long-range view. These economists, on the other hand, can look at problems dispassionately and the suggestions or recommendations made by them are very useful. From this angle, I think it is a welcome development that an eminent economist has been appointed as the Ambassador of a big power in our country.

Apart from this factor, I think India has a rather historical role to play in the ECAFE. So far people were going by two divergent doctrinaire philosophies. One was called communism and the other was called capitalism. But we have adopted a third course which may be rightly called Socialist planning. By adoption of socialist planning and allowing both the private and public sector to work supplementing each other, I think we have brought about a new economic philosophy. In this connection, I may be permitted to quote one sentence from the *Economic Theory*

and Under-developed Regions by Professor Gunnar Myrdal. In that book he has referred to the direction of research of economic problems of the under-developed countries and said that this will imply a final liquidation of the old laissez-faire predilictions and more especially the free trade doctrine and the stable equilibrium approach.

This socialist planning, which was looked upon with apprehension about a decade ago both in democratic countries and also the communist countries, has now been welcomed all over. We find that even in the United States and the United Kingdom this planning has started taking roots in their minds and various types of planning are coming in those countries. So far as under-developed countries like ours are concerned, if we want to develop fast and if we want to develop properly socialist planning is very necessary. There is a vital role that we have to play not only in our country, but also other under-developed countries in South East Asian regions and African regions.

Some time before there were quite a few questions put in this House about the Common Market which is now called the European Economic Community; and in answer to my supplementary questions the Minister of Commerce stated that as a countermeasure we are not thinking of any such organisation in India. Many people feel that this is not a right step. A Member of Parliament has gone rather out of the way and he has addressed a letter to all the Members about the possibility of such a countermeasure of having another common market for Asia.

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But when I look at ECAFE and study the problems, I notice particularly one factor, namely, that these Asian countries or, for that matter, the countries in Africa or the Middle East, in spite of their cultural or religious contacts with one another, had no economic common factors or never sat together for solving their common economic problems. Therefore, I think it would be adequate if we use the forum of the ECAFE for this purpose and through the ECAFE examine the problems that are posing before us today or that may pose before us after four or five years; we may investigate and make research on these problems through these organisations, and I think the recommendations or suggestions that would be forthcoming may help us and everybody.

So far as export promotion is concerned, there are two or three factors which apparently seem to go against us. But in one way they may themselves be beneficial to us. The first is our low *per capita* income. No doubt it is a very adverse factor; but it may be to our advantage in the initial stages, as it would mean comparatively less cost of manufacture, and therefore we would be able to compete with the other countries in foreign trade. Industrially, so far as these regions are concerned, whether it is the Middle East, Africa or South East Asia, we are more industrially advanced and in certain matters we have better technical know-how. Therefore we can take up certain industries and push our manufactures. My hon. friend has already referred to industrial goods. In Singapore and Hong Kong I saw myself that our goods have made a very good mark for their quality and also for their price. What surprised me most was that in a place like Hong Kong we could compete even with Japan. This is a very big development and I hope that this is maintained.

Then there is another factor, that is, the Indian business community, to which I have already referred, and this exists everywhere. Whether in the Middle East or in the South East Asian region or Africa, or even in Europe, particularly in U.K., this community is there. I think we should make full use of it. Today our Embassies have practically no links with them. In our Embassies,

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so far as diplomacy is concerned, we are carrying it on very well. But so far as economic development or foreign trade is concerned there is no proper use undertaken. Therefore I would like that we have, just as we have got one officer in U.S.A., another officer of a high rank in Europe. Of course, there the officers are for the purpose of making proper imports. But here we need an officer in charge of economic affairs for promoting our exports. But I think it is time that we had some such officer for these regions so that we could thereby promote our exports.

Having referred to these national problems I would like to come to a problem that concerns my state and also my constituency. So far as my State of Andhra Pradesh is concerned, it has not fared well in the general development that has taken place in the Second Plan period. This would be very clear from the quantum of the expenditure in the Central sector. The expenditure on the schemes implemented by the Central Government was only Rs. 5,45 lakhs while the Centre's share in the Centrally-sponsored schemes was Rs. 9,22 lakhs. Thus the total expenditure was Rs. 14,66 lakhs. This is too meagre a share for a State with a 9 per cent population and a 11 per cent area. The same is the case about utilisation of foreign exchange. A meagre sum of Rs. 5 crores was used, out of which Rs. 2 crores was taken for power generation and another Rs. 2 crores was taken by the Nagarajuna Sagar project itself. Industrial expansion has not advanced very much. Two schemes of Industrial Estates, one at Warrangal and the other at Cuddappah are still pending sanctioned by the Government of India. It involves a paltry sum of Rs. 20 lakhs. They are neither agreeing nor rejecting. The suspense is not to the advantage of anybody. There is a very strong case for an iron and steel plant in my State. Both iron and coal are found in abundance on either bank of the river Godavari. The region from Bhadrachalam to Rajahmundry is one where a steel plant can be started on either side of the river Godavari.

Hindusthan Machine Tools are setting up two new subsidiary factories. One can be easily located at Hyderabad where foundary facilities are available. Similarly, two heavy electrical plants are coming and one can be easily located at Hyderabad. There are many reasons which I can advance for this, but I do not wish to go into them because I have no time at my disposal.

Coming to my constituency, that is Nizamabad. I am very happy to know that this year this district has been selected for an intensive development campaign for the small scale industries. This is a very good scheme and it has been successfully undertaken in many other States. The survey prepared by the Small Industries Service Institute, Hyderabad is very useful, though it is not exhaustive. No doubt, this campaign has created, and would further create because this is still going on, an urge among the people, particularly the rich peasantry for industry. Today what happens is that the surplus amount with the rich peasantry is squandered away either in gambling or drinking or in immoral traffic. But if we persuade them to take up these small industries, it would promote both their own family prosperity as well as the national prosperity. But what happens is that after campaigning for a day or two at a particular place they disappear from the scene, and therefore the urge created does not take any concrete shape. Therefore it is necessary that after the campaigning a nucleus is maintained in the district to push up this urge and release concrete results. I would urge the Government that a good scheme like this that they have undertaken should not go waste. Its full utilisation would only be after incurring an annual expenditure at least for a few years, so that day-to-day guidance is available to the public

in the district. This can be done by starting a Small Industries Service Institute at Nizamabad. If a full-fledged Institute cannot be started, let them start a smaller Institute with such a mobility and exchange of technical personnel between such Institutes so that it can cater to the needs that have arisen out of the urge created by this industrialisation.

Shri Morarka (Jhunjhunu): Mr. Deputy-Speaker, all in all I think this Ministry deserves congratulations for the performance that it has shown during the last year. As some hon. Members have said, it is difficult to touch all the departments under the Ministry or even to refer to them once. I would therefore like to confine myself to, what the previous speaker has called, the national problem, namely the export promotion.

You would remember, Sir, that during the First Five Year Plan the average exports per year were to the tune of Rs. 609 crores. During the Second Five Year Plan this average increased to Rs. 614 crores, that is, a meagre increase of Rs. 5 crores per year. It was said that our traditional commodities like tea, jute, textiles, mica, etc. did not show any improvement, whether as other traditional commodities like vegetable oils, manganese, raw cotton, etc. showed a definite decline, and that was the reason why we could not step up our exports more.

Before I come to the targets of the Third Five Year Plan, I would like to give you some statistics about the world trade. You would be surprised to know that during the decade 1950—60, our share in the world export trade has fallen from 2.6 per cent to a little less than 1.3 per cent. The total world trade in exports has doubled from $53,000 million to more than $1,00,000 million. Over the same period, our share in the world trade has decreased to about a half. At this stage, I may give you some more statistics. During the period 1948—58, the export trade in respect of the various countries increased as follows. In the case of USA, it increased from $12,500 million to $17,500 million, in the case of Canada, from $3,100 million to $5,100 million, in the case of the USSR from $3,400 million to $4,300 million, in the case of France, from $2,000 million to $5,200 million, in the case of Germany, from $600 million to $8,800 million, in the case of Netherlands, from $1,000 million to $3,200 million, in the case of UK from $6,360 million to $8,900 million, and in the case of Japan from $260 million to $2,900 million. In the case of India, however, it has declined from $1,385 million to $1,215 million. So, India is among the very few countries where the actual exports during the ten-year period 1948—58 were a little less than what they were in 1948.

The importance of our increasing the exports has been very well emphasised by all, and this is what the Planning Commission have said at page 56 of the *Draft Outline of the Third Five Year Plan*:

> "The above considerations bring out the need for building up the country's exports. Only on the basis of a steadily expanding volume of exports can a growing volume of imports be financed. Export promotion has, therefore, to be regarded as a major plank of economic policy. The economy has to provide a progressively larger surplus for exports. Whatever measures, fiscal or organisational, might be required for this purpose will have to be taken.".

In the Third Five Year Plan, it is expected that our export of steel, for example, which is a new item, would be of the order of about Rs. 50 crores during the five years, that is, on an average, about Rs. 10 crores per year. In this connection I might quote what the ex-Finance Minister Shri T. T. Krishnamachari said in reply to the debate in the Rajya Sabha on 23rd May, 1957, when the hon. Members of that House criticised the increasing

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cost of the three steel plants. This is what the then Finance Minister said:

> "Today, I find that the only stable commodity on which I can depend in order to build up resources for repayment of these loans happens to be steel. Our jute export might come down. Out tea export might not expand. Our textiles might contract. We might get additional exports in the engineering industries. But the only commodity which the world will accept from any country in the future on a barter basis or cash basis would be steel, and the efforts that we are making as a Government to borrow from abroad are merely based on the fact that we feel definitely that we can service these loans and we can pay them back because we are building the steel plants.".

I do not know whether these expectations of his would be fulfilled, but even if that be so, the planners have only provided for the export of steel worth Rs. 50 crores only. Here, I might say that during the last year of the Second Plan, our imports of steel, on the contrary, have increased from about 800,000 tons to approximately 1,000,000 tons.

Now, the need for exports is all the greater because of our foreign exchange needs for the Third Five Year Plan. Our total needs are estimated at Rs. 3,200 crores, out of which PL-480 Funds provide for about Rs. 600 crores, leaving a balance of Rs. 2,600 crores to be found from external assistance etc.

In the Second Five Year Plan period, we expected that our sterling reserves would be drawn to the extent of Rs. 200 crores, but in actual practice, they were drawn to the extent of Rs. 606 crores. But we do not have that question now. Our need to increase our exports is further highlighted by the fact that our need of foreign exchange for the Third Plan to the extent of Rs. 2,600 crores, as estimated in the month of July last year, has increased. Between July, 1960 and January, 1961, these estimates have gone up by another Rs. 400 crores, because of the rise in prices, because of the inclusion of certain other projects, and because of various other factors. It is now estimated that our net requirements of foreign exchange would be of the order of Rs. 3000 crores or so for the Third Plan. How are we to get these Rs. 3000 crores? So far as the earlier estimate of Rs. 2600 crores is concerned, we depended entirely on the generosity of the friendly nations. I wonder whether Government would expect that even this increased requirement of Rs. 400 crores also would be met from the same sources.

In this connection, the Planning Commission have laid down a target for the Third Plan, of Rs. 690 crores per year on an average. That does not give us much by way of foreign exchange. If we have to earn at least the extra Rs. 400 crores, I think the export target must be revised to at least Rs. 800 crores on an average per year. It may be a consolation for the Ministry to say that we have achieved the targets of the Second Plan, and that we are bound to achieve the targets of the Third Plan also. But what are the targets? The targets have been kept so low that we have to make no efforts at all to achieve them.

As a matter of fact, as I said earlier, our exports today are less than what they were in 1951-52. After ten years of development of our economy, and after injecting so much money and so on, is this all the progress that we have been able to make? I, therefore, submit that this problem must be treated as a national problem, and everything possible should be done to promote the exports.

There is another point also which I want to make in this connection. The foreign exchange needs would also in-

crease because of another reason, namely that today we have the external liability both of the private and the public sector and other things to the extent of Rs. 4000 crores, and for servicing and repaying this huge foreign debt, we are bound to require more and more of foreign exchange. I think the time has come when we must employ our thoughts seriously in the direction of building up our foreign trade.

We export now to three types of countries. It is no use merely saying that our exports have increased. We must also see the direction and the pattern of export. The first group of countries consists of the USA, the UK, West Europe, Australia and countries like that, where if we export, we earn really some foreign exchange, and that foreign exchange is not tied with any particular thing; we can spend it wherever we like and in whatever manner we like.

The second group of countries consists of those countries to which we export on the balancing basis, more or less, that is, the trade is in non-convertible Indian rupees and hence, no free foreign exchange would be available from these exports. Our exports to these countries like the USSR and East Eruopean countries have increased to Rs. 53 crores, and it is expected that in the near future, this figure would be trebled, and so far so good. But, at the same time, we must also remember what we get from them; we get only some equipment and some commodities in exchange. This would not make any foreign exchange available to us freely which we can spend wherever we like or which we can utilise to buy goods from which our country we like.

The third group consists of those countries with which we transact only in rupees, such as the United Arab Republic, Pakistan, Burma, to some extent, and countries of that type. Here also, when we export, we get credit but only in rupees, and we cannot spend those rupees for purchasing our needs from the European and other countries.

Many people both in this House and outside are rather disappointed that our export targets have been kept so low and are so unrealistic, that every time, the total requirements of the Plan had to be met from the loans or grants from the foreign nations. I think that Government would do well to fix a target of Rs. 800 crores on an average per year in the Third Plan, and at least Rs. 1500 crores for the Fourth Plan, and proportionately more for the Fifth Plan and so on.

Sir, as I said, it may sound a little fantastic. But, if you see the figures of world trade, how actually world trade has developed during the last 10 years, I think there is no risk about these figures and it should be within the reach of our government to do that. I must say that unless some vigorous efforts are made in developing our export, not only would we not be able to increase our exports, but there is the other possibility, that, in the present competitive world, even the present level of exports may go down. In order to avert all that, I wish to make a few suggestions, if I may, which, in my opinion if implemented, would, certainly, boost our exports.

The first suggestion that I would like to make is that there should be a certain quantity of exportable commodities ear-marked for export only. Even the Planning Commission has said that it may appear to be harsh and you may have to curtail home consumption of certain things by increasing taxation. But that is unavoidable and sometimes Government have to take even that harsh decisions.

Secondly, in the recent past we have seen that the incentives scheme which the Government have started has really helped exports more than the other measures which the Government have adopted so far. The Export Promotion Councils are of importance; they have served their purpose; but they are more academic than practical. They have their own functions but the real vitamin which the export trade

[Shri Morarka]

gets is from incentives. And the Minister knows more than anybody else how, after his incentive schemes were announced, the export trade actually picked up.

My third suggestion is that the Ministry of Industry should encourage those projects of the industries which have an export potential. There are many foreign collaborators who are willing to come here on an agreement that once their factories are established in this country all the eastern countries would be fed from India. If there are such foreign collaborators or if there are such proposals, Government must give those proposals top priority and utmost help so that, not only from the short term point of view but also from the long term point of view, we can build a definite export potential.

Government must give top priority in helping industries like tea, jute and textiles and engineering goods. Some time ago, we heard that the tea industry suffered for want of fertilizers. I think the tea industry is the biggest industry and the foremost industry for earning foreign exchange. And, if the tea industry is starved for fertilizers, I think we are not serious about our exports. All that I can say is that we are not serious about our foreign markets; we do not care whether they expand or dwindle. Government must, I think, give top priority for the needs of the tea industry. We must give the industry not only fertilizers but also all other technical and financial help that it needs.

There must also be an agreement with certain countries which are competing with us for the export of similar commodities. For example, take the question of tea. We are tea exporters; so also Ceylon and some other countries. We must come to some understanding, if possible, with those countries so that we may not lose our international market and we can also have certain price understanding amongst ourselves.

Another suggestion; and that is, I think, one which Government should seriously consider. That is tax incentives on the profits earned from the export, particularly of those commodities which are not handled either by the State Trading Corporation or by any other Government agencies. If others can export them, then, Government must give certain tax incentives so that people may export more.

These are some of the suggestions which I have ventured to make about our visible exports. Now, I come to what we call invisible exports; that is, tourism, shipping, banking and insurance. The Planning Commission is afraid that in the next Plan period these invisible exports are going to decline. I do not know why. Because, so far as tourism is concerned, our income was Rs. 4 crores in 1950 and it has gone up to Rs. 20 crores in the year 1960. I am sure that if we give more attention to this, that is, provide more hotels like the Ashoka Hotel, provide better travelling facilities on the trains and also more frequent air services between the main cities and centres of tourism, we can do a lot in this respect.

In other countries like Switzerland and even France, they have gone out of their way to develop tourist traffic. That is one of the surest sources of income. In fact, our country is vast and it is regarded historically very important; and its culture is very well-known all over the world. I am sure there are so many centres of interest for the tourists that if our tourism is properly developed, then, you can have a fresh source of income and earn a lot of foreign exchange under this heading.

Coming to shipping, I find that at present our shipping, Indian shpping, has only 7 per cent of our own foreign trade. And, it is expected that by the year 1965-66 this 7 per cent would increase to 10 per cent. In all humility, I venture to say that this is a

very meagre target. It is also calculated by some people that one lakh G.R.T. saves Rs. 2.5 crores every year of foreign exchange and the cost of one lakh G.R.T. is Rs. 17 crores. In other words, by investing Rs. 17 crores, you will be able to earn or save Rs. 2.5 crores every year. I think in one Plan period we would have earned a substantial portion of what we spent; and, therefore, it is high time that something is done more seriously in the case of shipping.

So far as banking is concernd, I think that banking and insurance can be stipulated as one of the terms of purchase, that the document should be negotiated through a certain bank. This is a condition which the importers can lay down and, sometimes, even exporters can make a suggestion. I. therefore, suggest that the State Bank of India must open its branches in almost all the important cities of the world and must negotiate all the government and private sector documents—import and export documents —through these banks. I think there would be, again, a substantial saving if that is done.

I asked a question some time ago about government purchases. At that time I said that even though the Cabinet decided that all government purchases would be on the f.o.b. basis, yet, most of the purchases are made on the c.i.f. basis. If we buy goods on the f.o.b. basis, the shipping, insurance and banking etc. is controlled by us. If we buy on the c.i.f. basis, it means that insurance, freight etc. all, are controlled by the foreign exporters. I do not know why, when it has been decided by the Cabinet and has been accepted by all, still most of the goods, for the government sector particularly, are bought on the c.i.f. basis. It may be said that the main reason is that we cannot arrange for shipping. I think we can open a shipping agency in each of the main or important ports and those agencies would be able to look after our shipping, both government and private. I think that if that is done, we can not only remove the danger of our experts dwindling by Rs. 50 crores—our invisible exports—but actually, they have a chance of increasing.

Before I conclude, I want to refer to the question of cashewnuts. Cashewnut is one of the important items of export. But we do not grow the entire quantity of cashewnuts in this country. We import them from Africa; we process them here and then re-export. Now, recently, the tendency of the Government is to cut down the import. What would happen is, if the imports are cut down, the prices of cashewnut in this country would go up. The internal demand would hardly be met and the price would go up and there would be less incentive for export of cashewnuts. So, instead of giving any impetus to export, it would give a definite set-back. Therefore, I plead with the hon. Minister that so far as cashew nut and commodities like that are concerned, which are exportable after processing here, they must give top priority and must allow free import so that not only the industry here may not suffer but our exports also may increase.

Dr. Aney, had asked me to mention one point that concerns the small scale industry—glass. Recently, the hon. Finance Minister imposed some duty and at that time he gave an assurance that so far as small factories are concerned, he would see, year after year, the position of these factories so that they may not suffer at all. He said that it was the policy of the Government. But in actual practice, we find that many small manufacturers of glassware and other ceramic materials are complaining and finding it difficult to compete with large manufacturers. Actually the prices which should have increased only by 5-10 per cent. have increased by more than 25 per cent. in some cases. I hope the hon Minister of Industries would give thought to this problem of the small-scale industries and take necessary action.

The Minister of Commerce (Shri Kanungo): Sir, I will not take much of your time and I will try to be as brief as possible in referring to a few matters and anticipating the points that have been made in the cut motions about a limited number of matters. While opening the debate, Shri Nayar remarked that the Company Law Administration had not been able to provide full statistical data about the profits in the corporate sector. Whatever material has been used by Shri Nayar or anybody else had mostly been drawn from the Reserve Bank's publications. It publishes the information in respect of 1001 public companies which accounts for about 75 per cent. of the capital investment in this sector and 333 private companies which accounts for one-third of the capital investment in the private corporate sector. I think this is a fair enough guide to draw conclusions. My colleagues will elaborate on the point as to what those conclusions should be and what they are. If a full statistical account of the profits of over 25,000 companies which exist more or less today—more will be incorporated in course of time—are to be taken, we will require adequate staff to analyse, collate and interpret them. It will even then be in the statistical form. The staff which will be required would not just be ordinary persons but experienced accountants and men with knowledge of corporate finance. Firstly, such trained persons are not available in plenty. There is the question of cost also. Yet, I hope in the next year or rather within this year itself, when statistical returns for the year 1960-61 are made available to the hon. Members, a large amount of statistical material regarding profits will be available.

It has been suggested in some cut motions that the disposal of materials and references to the Company Law Administration had been belated. Apart from the shortage of staff and all that, I would submit that the Company Law Administration has a norm of 3-4 weeks for different types of applications to be disposed of and by and large they have been able to succeed in that except for those cases where the applicants did not provide the full materials in the first instance and in such cases the materials and the necessary information had got to be called for and as far as I can judge the longest period for the disposal of any application has been not more than twenty weeks.

Shri V. P. Nayar: Twenty weeks.

Shri Kanungo: That is the longest period, involving, barely a dozen cases; at any rate note more than a dozen cases certainly. It must be remembered that a large number of references have to be sent to the Company Law Commission under the mandatory orders of the House and it is not possible for the Government to set up a whole time permanent Commission. The Commission is composed of public men who lend their time and energy free of cost. With the implementation and the full operation of the Companies Act, a time will come soon when it may be necessary to have a full-time commission operating.

Some criticism was made that the Government had failed in abolishing the managing agency system completely. Sir, if you will recall, the Act of 1956 was so designed that the abuses of the managing agency system which were prevalent at that time might be curbed and inhibited. They have been curbed to a great extent. As a matter of fact, the tendency in new incorporations from 1957 onwards has been more and more to adopt forms other than the managing agency system. Today, I believe the total number of applications for extensions of the managing agencies would be barely 1500 out of 25 000 companies on the registers and out of those applications 1300 and odd were approved, for adequate reasons, after consultation with the Commission. Again, it must be observed that the total remuneration for managing agents had

been reduced considerably and the extra remunerations and commission have been severely restricted. I do not see any reason why we have to change completely a system which has been in operation, historically for quite a long time. The company law, as amended, has provided for four forms of management. The three new forms of management are getting into stride. I believe that in course of time, whatever be the form of management, there will be more integrity and more efficiency in the management. That can be ensured by various provisions which have been enacted by the amending Act, by which not only the Company Law Administration but informed public opinion as well as informed shareholders can exercise their rights and make their position felt in the management of companies. The main point and the most important thing, to my mind, that the amending Act has provided is, complete disclosure, and complete disclosure is one of the factors, which should enable the shareholders and the public to judge the performance of corporate sectors.

Reference has been made to the functioning of the State Trading Corporation in regard to export promotion and its present functioning also. I may submit that one of the annual reports of the Corporation, namely, the report for 1958-59, was discussed in both the Houses in one of the previous sessions, and I would not like to repeat the arguments which were then advanced by hon. Members from all parts of the House. The fact remains that the State Trading Corporation is barely three years old. It started operations in 1957. It started with Re. 1 crore, and now it has an authorised capital of about Rs. 4 crores. In the first year they made a profit of Rs. 35 lakhs, and the last published account for 1958-59 has shown a profit of Rs. 3½ crores. It is certainly not a bad performance. No doubt, the Estimates Committee in its last report has made certain suggestions to define the scope of operations of the State Trading Corporation. That matter is under consideration, and when completed, we will certainly place it before the House.

But I would draw your attention to a debate which took place in 1957 on a motion by Shri A. K. Gopalan during which the then Minister of Commerce and Industry mentioned that the function of the State Trading Corporation was to assist the Government in solving the difficulties and problems for which private trading channels are found to be inadequate. In other words, the main objective of the State Trading Corporation has been to supplement the efforts of others and not to supplant them. I would not like to go into further details because this matter will certainly come up when, every year, the annual report of the Corporation is taken into consideration. I would only mention that the State Trading Corporation deals in the import line with only 26 commodities, and most of the commodities have been thrust on it by the orders of Government, for the reasons which have been discussed in this House quite often.

In the export field, the State Trading Corporation has to deal with only 30 commodities. In other words, I believe the export and import trade control list contains almost 6,000 items, and out of that, the State Trading Corporation only deals with a small number of items which come to about two dozens in respect of imports.

Shri V. P. Nayar (Quilon): The list is very small for the Corporation.

Shri Kanungo: Yes; it is deliberately made very small. I have submitted that the objective is to supplement and not supplant. In the other field, namely, promotion work, I would submit that promotional work for trade is the responsibility of the Government and the Government has been and will be making efforts in that direction. It is not for the State Trading Corporation to do promotional work for general foreign trade of the country, but it is certainly its

[Shri Kanungo]

duty and it is its interest to scout markets and do promotional work for the commodities which it chooses to trade in. I humbly submit that it has been doing it to a limited extent, and with the funds from profits being available, it will go in a larger way in that direction. But I again would repeat that the STC is not and should not be used as the instrument for promotional work for foreign trade of the country. Whatever work it has done and whatever work it will do in the promotional field in a large way would be for the difficult items of trade which it chooses to take over or enter into and for which it finds itself equipped.

Here again, I would submit that the expenditure of the STC has been criticised from time to time. In a trading organisation, you have got to do certain preliminary work before the actual trade comes in. Therefore, we have got to reconcile ourselves to the fact that expenditure on the management of the STC will go on increasing as the trade increases. The only point which the executive Government who are hundred per cent. shareholders of the corporation, and the Parliament which is the supreme arbiter of the treasury of the Government, have to see is whether we receive the value for the money spent. I believe that very soon when the report of the Corporation comes for discussion we will be able to justify that the expenditure on management has provided enough value and more value is likely to be put into it for the given money which is spent at the moment.

In the present context, the hon. Members who have spoken about foreign trade, have mentioned that we have to use bilateral agreements and bilateral arrangements with all the risks of advantage and disadvantage for increasing our foreign trade. Let us be clear on one point: as members of the GATT and the philosophy of economics which we have accepted, we are bound with the ultimate objective of multilateral trade. The fact that we are not able to function fully is because of the conditions, which have been imposed under circumstances beyond our control in the short term for which the GATT in its original charter has provided. I need not go into it, I hope that the House at some stage will find time to discuss the performance of our delegations in the different conferences of the GATT. Here, I am grateful to the handsome tribute which has been paid to our delegations by Dr. Krishnaswami. It is a continuous process and it will continue to be difficult, because we have to do what we call a great deal of tight-rope dancing. Our objective is complete multi-lateral trading. But the conditions in the world being what they are, we have to indulge in bilateral trading also. We have to put restrictions upon free trading, because the circumstances are such. I hope the circumstances will not continue for too long, but for a few years to come those circumstances will exist.

The fact remains as Dr. Krishnaswamy and Shri Bimal Ghose had mentioned that we have been able to persuade the members of the GATT, which means almost the whole of the world, because some of the East-European countries have joined the GATT either as full members or as associate members. They have appreciattd our attitude and more and more they have accepted the view that liberalisation of trade is one important fact which will help not only the countries in the same economic level as India, but also more prosperous manufacturing countries like the U.S.A.

In connection with STC, I would like to mention about some of the cut motions regarding the difficulties about newsprint. Newsprint is a commodity which we do not produce in plenty and yet the demand for the consumption of newsprint is increasing fast. I am told that the increase in the annual circulation of national newspapers is of the order of 13 to 14 per cent; it is bound to increase with the increase in literacy and interest in

public affairs. As you know, we are very tight at the present moment and possibly for some years to come in regard to the availability of foreign exchange and we are not able to import as much newsprint as is demanded.

Licences for three more plants have been issued for manufacturing newsprint. Till the expansion of the capacity of Nepa and the coming in of the three new plants, which will take about two to three years, we will have to face the difficulties about the shortage. Within that shortage, we have been trying to see that the most equitable distribution of newsprint is done. I would humbly submit that we have succeeded to a great extent and we have received, by and large, co-operation from the publishers of newspapers of all categories. I say by and large, because there have been black sheep also. We have been trying to find out how we can make a foolproof system by which there will be no chance of consuming more newsprint than is absolutely necessary. I would not go into how we do it; it will take a long time. I would only mention that within the last three months, our checking organisation, which has been able to look into about 40 newspapers in the area Delhi, Bhopal, Jhansi and Bombay, has done some test checks and found certain exaggerated statements about circulation and consumption of newsprint.

As a result of this check, I think we will have a saving of about Rs. 3 lakhs. There have been some paper where the exaggeration of circulation was to the extent of 65,000 numbers. But I believe, as I said earlier, by and large, the publishers, editors and managements of newspapers all over the country have been co-operative and we have tried to see that the distribution of newsprint is as equitable as possible. At the moment, those large newspapers which consume more than 100 tons per year gtt straight licences. For smaller newspapers, whose demand is less, which cannot economically import the material from other countries, the STC obtains newsprint from various sources including rupee sources and carries them in stock. Small newspapers are able to get their requirements right from the stock. We are streamlining the procedures and in spite of the htavy demands on newsprint on account of new papers coming up and circulation going up, we believe we will be able to maintain the equitable distribution of newsprint.

I will not take very much time about the jute and cotton textile position, which I believe has been discussed threadbare on several occasions in this House. I would only like to mention that the critical position arose in both the industries because of two successive bad years of weather, which reduced our internal production. In 1959-60, cotton production dropped to as low as 37·50 lakh bales. Jute production dropped to 57:48 lakh bales. It is not a question of one year; there were two successive bad years.

We have been rather parsimonious about the allotment of jute and cotton, because we are not able to import as much as we would like, and therefore, we had eaten into our carry-overs. In spite of that, I would humbly submit that the prices of cotton has been brought under control by imports and by control of distribution of Indian raw cotton. By and large, for the last three months, the cotton prices have been steady. The textile prices have also been steady. It did rise at the end of 1959 to a certain extent and it did raise a certain amount of scare. The whole trouble is, when there is shortage and the shortage is publicised, scare comes in. The scare leads to various other chain-reactions and the prices go on increasing. By negotiations with the textile industry, we were able to stabilise the prices at a certain figure in September, 1960. Again in January, 1961, the price settled in September, was considerably reduced.

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Shri P. R. Patel (Mehsana): What do you mean by saying "considerably reduced"? What is the percentage?

Shri Kanungo: The reduction was from 5 per cent. to 3 per cent. in the rise of 25 per cent. which was permissible—after due discussion—on the basis of the large increase in the prices of cotton which is everybody's knowledge.

Shri P. R. Patel: Well, in this country the price of cotton has been very low.

Shri Kanungo: It was low, but, as I mentioned earlier, after two or three successive years of bad cotton crop the prices shot up. Very humbly, Sir, I would submit, we have been able to stabilise the prices by imports and by rationing out the cotton available. That is how we have been able to keep the prices of cotton textiles steady.

Shri P. R. Patel: Is it a fact that the textile industry is paying much less than the price fixed by the survey conducted as a result of the cotton policy of the Government?

Shri Kanungo: When the buyer wants it a requisition is made by the Textile Commissioner. There have been only very few cases of that nature. Then the prices are fixed. Otherwise there has been a large amount of demand and supply and the cotton growers, the cotton trade and the consumers have been finding their own level of prices. That is all to the good.

The fact is,—I want to emphasise this—that the Federation of Cotton Textile Industry has tried its level best. Mind you, this Federation is now only two years old. This Federation has tried to exercise voluntary control over the widely spread industry—480 units. Though I cannot say that it has succeeded hundred per cent, it has been able to exercise a very healthy influence amongst its membership and, at any rate, the results have shown that because of its efforts—we have not used any covercive powers, which the Government could do—the market has been steady and it is likely to continue to be steady. With the hope of good crop next year, I think the prices may register a decrease provided other factors do not crop up.

The same thing about jute. There was also a shortage of production, again, for two successive years due to bad crop. There was also no carry-over and there was panic. Therefore, the prices shot up. Here the Forward Markets Commission and the Government took certain steps by which the prices have been steady and production has been smooth. Here I must pay a tribute to the labour union in the jute industry who have appreciated the difficulties and have borne with the fact that about 12 per cent. of the looms have been sealed and working hours have been reduced from 48 hours to 42 hours a week. That means, Sir, in a critical period, when labour, consumers, and the industry are co-operative whatever be the difficulties they can be got over. I believe, the next year's crop being expected to be good—it is anticipated to be good—the difficulties about jute will not exist and it will be possible, when the new crop comes in, to unseal the looms and increase the working hours.

I am sorry, Shri Guha is not present here. Shri Guha made a remark, and his remark certainly deserves serious consideration, that the Government have abandoned their functions to the dictates of the Indian Jute Mills Federation. Sir, very humbly I would submit that this is a wrong reading of the events which have been happening. An impression might have gained ground by the sequence of sentences which were uttered the other day that the Government have directed the Jute Commissioner to function under the orders of the Jute Mills Federation. I beg to submit that this is wrong. The Jute Commissioner has been armed with powers. But the powers are not

necessary. Fortunately, Sir, for certain activities of the Mills Association, those powers have not been found necesary. Why should the powers be used if they are not found necessary? But they are held in reserve and they will be used at any time according to the discretion of the Jute Commissioner. I hope such necessities will not arise.

Here I must say that the Indian Jute Mills Association has been extremely co-operative with the Government and, as I said earlier, we have been able to tide over the situation because of the understanding between the industry, the labour union and the Government.

Shri Rameshwar Tantia (Sikar): May I know whether it is a fact that Indian jute is being smuggled into Pakistan because the prices are higher there than the prices in India?

Shri Kanungo: I have no information. If Shri Tantia has some information, because he comes from Calcutta, I will be glad to have that information from him. The prices of jute in Pakistan also have been high because licences for import from Pakistan have not been cashed.

Shri Heda: He means the other way. He is asking whether Indian jute is being smuggled into Pakistan.

Shri Kanungo: It is not possible because the prices are almost on a parity. So to my mind, judging from prices, there is not very much cause, there is not much inducement for jute being smuggled to Pakistan—of course, there might be special conditions which other people might know.

My next point is about the closure of textile mills. I think we have discussed it at length in this House. Any way, I think now it is a fairly good situation. At one time we had 37 mills closed. We have got now merely 17 mills closed. I am told that quite a number of them will never be opened, and it is better that these are not opened. But I think the conditions are much better than they were before.

Some suggestion has been made that forward trading in agricultural commodities should be prohibited altogether. Forward trading in foodgrains—that means, direct consumption goods which are produced in agriculture—has been prohibited altogether, and in the case of commercial crops it has got to be regulated by the Act, because that leads to an evening of the prices and, I believe, when the time comes for discussion on the report of the Forward Markets Commission it will be judged on its performance which, I believe, is good.

Sir, I would not take any more time of the House. I only want to say that in the matter of tea—it is right that the supply of fettilisers should not have been stopped—I hope from the current year we will be able to provide enough fertilisers according to their demands and fulfil the requirements of the tea industry. I also hope that in spite of the competitive nature of the tea produced in other countries we will hold our own provided we are able to increase our production.

श्री ब्रजराज सिंह (फिरोजाबाद) : उपाध्यक्ष महोदय, प्रारम्भ में ही मैं अपना खेद प्रकट कर देना चाहता हूं कि जिस समय आपने मुझे बुलाया, उस समय मैं उपस्थित नहीं था . . .

उपाध्यक्ष महोदय : मैंने आप से ही नहीं सब से कहा था । मैं उस दिन भी इधर देखता रहा था और मुझे अपोजीशन में कोई मेम्बर दिखाई नहीं दे रहा था जिसको मैं बुला सकता । आज भी यही हो रहा है । आखिर में जब सब इकट्ठे होते हैं, सब वक्त नहीं मिला, इस तरह की शिकायत करते हैं ।

चौ० रणबीर सिंह : (रोहतक) : आवश्यकता नहीं है ।

श्री ब्रजराज सिंह : मैं समझता था कि जो माननीय सदस्य बोल रहे थे वे शायद दो या तीन मिनट और बोलेंगे, लेकिन सम्भवतः उन्होंने जल्दी ही अपना भाषण समाप्त कर दिया। इसलिये मैं उपस्थित नहीं हो सका। मुझे इसका खेद है।

यह मंत्रालय, जहां तक देश के विकास का सम्बन्ध है, बहुत ही महत्वपूर्ण मंत्रालय है। खास तौर से जो औद्योगिक उत्पादन मुल्क में हो रहा है उसके लिये बहुत बड़ी जिम्मेदारी इस मंत्रालय के ऊपर आती है। जहां एक तरफ यह बात सही है कि औद्योगिक उत्पादन अच्छे ढंग से चल रहा है, उस में जो हमारी पंचवर्षीय योजना के लक्ष्य हैं, कुछ मामलों में हम उन से कहीं ज्यादा आगे बढ़े हैं, वहीं कुछ ऐसी बातें भी हैं जिन की तरफ इस मंत्रालय का और सदन का तथा मुल्क का ध्यान जाना चाहिये। विशेष तौर से जब हम छोटे उद्योगों की तरफ देखते हैं तो ऐसा लगता है कि सरकार सम्भवतः उतनी गम्भीर नहीं है जितनी गम्भीर उसे होना चाहिये। पूरी तृतीय पंचवर्षीय योजना में सिर्फ २७ करोड़ रुपया रक्खा गया है इंडस्ट्रियल एस्टेट्स के लिये। कहा जाता है कि ३०० इंडस्ट्रियल एस्टेट्स तृतीय पंचवर्षीय योजना के अन्तर्गत बनेगी। अब तक १२० इंडस्ट्रियल एस्टेट्स बनने की रिपोर्ट मंत्रालय देता है। लेकिन जो १२० इंडस्ट्रियल एस्टेट्स बनने की रिपोर्ट उस ने दी है, मुझे मालूम नहीं है कि मंत्री महोदयों ने अपने को आश्वस्त-कर लिया है या नहीं कि यह एस्टेट्स सिर्फ कागज में ही हैं या उन में उत्पादन भी शुरू हो रहा है।

14·12 hrs.

[SHRI HEDA *in the Chair*]

मुझ को एक इंडस्ट्रियल एस्टेट का ज्ञान है। आगरा में सन १९५६ में एक इंडस्ट्रियल एस्टेट बननी शुरू हुई। सन १९६१ में इस वक्त तक भी उस में पूरा उत्पादन शुरू नहीं हुआ है। अब भी वहां कुछ इस प्रकार के प्लाट्स खाली हैं जिन में कोई इमारत नहीं बनी, और जहां इमारत बन पा रही हैं वह लोगों को दी नहीं गई हैं। मैं चाहूंगा कि इंडस्ट्रियल एस्टेट्स में काम जल्दी शुरू हो। सभी लोग मानते हैं, मैं भी मानता हूं और समझता हूं कि जहां इससे एक तरफ औद्योगिक उत्पादन बढ़ेगा, वहां उस के साथ साथ मुल्क की बेकारी की समस्या भी हल हो सकेगी। हम लोगों की बहुत बड़ी जिम्मेदारी है कि छोटे छोटे लोगों को काम मिले और अपनी विशेष योग्यतायें दिखलाने का अवसर प्राप्त हो। इस में हम को सहायक होना चाहिये। हम को मान लेना चाहिये कि इस में जितनी प्रगति हो रही है उतनी प्रगति सन्तोषजनक नहीं है। इसलिये मैं यह कहना चाहूंगा कि २७ करोड़ रु० जो तृतीय पंचवर्षीय योजना में रक्खा गया है उस के लिये कोशिश होनी चाहिये इस मंत्रालय की, और सदन को मंत्रिमंडल पर प्रभाव डालना चाहिये, कि उसे कम से कम दूना तो किया ही जाये। असल में इंडस्ट्रियल एस्टेटस की तरफ, जो उस की बनावट है, उस की तरफ मुल्क के नागरिकों का ध्यान नहीं है। इस लिये, यदि हम चाहते हैं कि औद्योगिक उत्पादन उस गति से बढ़े जिस गति से बढ़ने की मुल्क में आवश्यकता है, तो इस के अलावा कोई चारा नहीं लगता कि छोटे छोटे उद्योगों का बड़े पैमाने पर विकास किया जाये और वह विकास तभी हो सकता है जब इस नीति के मुताबिक अधिक इंडस्ट्रियल एस्टेटस खुलें। मैं चाहूंगा कि ३०० इंडस्ट्रियल एस्टेटस के स्थान पर ६०० इंडस्ट्रियल एस्टेटस का लक्ष्य तृतीय पंच वर्षीय योजना में रक्खा ही जाये।

मैं मानता हूं कि सरकार के सामने कठिनाइयां हैं और वह और अधिक धन नहीं दे सकती। लेकिन इस के लिये और दूसरे तरीके भी इस्तेमाल किये जा सकते हैं। इस में सरकार को कोई धन नहीं देना पड़ेगा। आज सिर्फ जमीन की व्यवस्था कर दी जाये, कानून के जरिये, सरकार सिर्फ उस कच्चे माल की व्यवस्था कर दे, जिस से इंडस्ट्रियल एस्टेट में माल तैयार किया जा सकता है। मैं समझता हूं कि मुल्क में इस प्रकार के लोग हैं छोटे छोटे, जो लाख, दो लाख या चार और पांच लाख रुपया लगा कर या और भी थोड़ा रुपया लगा कर अपना औद्योगिक उत्पादन शुरू कर सकते हैं। लेकिन जो सब से बड़ी कठिनाई होती है वह यह कि उन को कच्चा माल ही नहीं मिलता। जब कच्चे माल की बात आती है तो मुझे एस्टिमेट्स कमेटी की उस रिपोर्ट की तरफ ध्यान दिलाना पड़ता है जो उन्होंने इस साल डेवेलपमेंट विंग के सम्बन्ध में प्रकाशित किया है और सदन की मेज पर रक्खा है।

जहां यह माना जा सकता है कि डेवेलपमेंट विंग बहुत अच्छा काम कर रहा है देश के औद्योगिक उत्पादन के सिलसिले में, वहां यह भी ध्यान रक्खा जाना चाहिये कि यह विभाग, यह विकास की शाखा हमारी, किस तरह अपनी जिम्मेदारी को अदा कर रही है। जब हम इस रिपोर्ट की ओर ध्यान देते हैं तो लगता है कि इसमें बहुत सी इस तरह की चीजें हैं जिनको दूर नहीं किया जा सका है लेकिन जिनको दूर किया जाना चाहिये। खास तौर से जहां कच्चे माल के देने का प्रश्न आता है या नये नये उद्योगों को रजिस्टर करने और लाइसेंस करने का प्रश्न आता है, वहां हमारी एस्टिमेट्स कमेटी ने अपने विचार जाहिर किये हैं। माननीय सदस्यों को व्यक्तिगत रूप से याद होगा कि यद्यपि नियमों के मुताबिक तीन महीने के अन्दर दरख्वास्त पर फैसला हो जाना चाहिये लेकिन नये उद्योगों को स्थापित करने के लिये जो लोग दरख्वास्त लेकर डेवेलपमेंट विंग में जाते हैं उनको तीन महीने के बजाय अमूमन ५ महीने लग जाते हैं। यह तो एस्टिमेट्स कमेटी कहती है, लेकिन जहां तक मुझे ज्ञान है उसमें १२ से १५ महीने तक भी लग जाते हैं। और कभी कभी तो उसके बाद भी पता नहीं चलता कि क्या फैसला हो रहा है। मैं चाहूंगा कि जब यह नियम बनाया जा चुका है और नियम का पालन करने में डेवेलपमेंट विंग कामयाब नहीं होता है तो फिर इसकी कोशिश होनी चाहिये कि उन नियमों का पालन हो। उन नियमों का पालन सिर्फ नियमों को तोड़ने में नहीं होना चाहिये। हम बड़ा भारी स्टाफ रखते हैं हमारे पास बहुत से आफिसर्स हैं, विशेषज्ञ हैं, जो कि इस बात को देखते हैं। आखिर उन सब का क्या काम है? मैं जानना चाहता हूं कि कौन सी ऐसी कठिनाई है जिन से तीन महीने के अन्दर दरख्वास्त पर फैसला नहीं हो सकता है। कहा जाता है कि राज्य सरकारें भली भांति जो सूचनायें चाहियें वे नहीं देती हैं। अगर राज्य सरकारें सूचना नहीं देती हैं तो दूसरे तरह के साधन सरकार को अपने आप ही इकट्ठे करने चाहियें जिनसे सूचनायें मिल सकें। और सूचनायें मिलें या न मिलें लेकिन दरख्वास्त का फैसला तीन महीने के अन्दर हो जाना चाहिये, जो कि नये उद्योगों को स्थापित करने के लिये डेवेलपमेंट विंग में जाती हैं। जो आज की स्थिति है उसमें ऐवरेज टाइम जो लगता है वह पांच महीने है जिसमें दरख्वास्त पर फैसला होता है। यह चीज उचित नहीं है इससे जहां नये उद्योग को चलाने वाले को निराशा होती है वहां भ्रष्टाचार और पक्षपात को भी बल मिलता है। इसमें मुमकिन है कि लोगों को इस बात का मौका रहे कि जिस चीज पर तीन महीने में फैसला होता है उसमें और जल्दी फैसला करवाने के लिये ऐसे तरीके इस्तेमाल किये जायें जो जायज नहीं है। कुछ मामलों के बारे में मुझे मालूम है कि इस तरह की बातचीत चलती है कि हम इस तरह पर

[श्री ब्रजराज सिंह]

इसे कर देंगे या इसको इस तरह से नहीं करेंगे। और इसी में देर होती है। किसी भी खास उद्योग के लिये इस तरह देर कर के वहां निराशा पैदा की जाती है। उद्योगपति को निराशा होती है और उत्पादन में भी रूकावट आती है। इस तरह के मामले होते हैं। मैं चाहूंगा मंत्रालय इसकी गम्भीरता से जांच करे और इस तरह की व्यवस्था करे कि जो नियम बने हुये हैं तीन महीने में काम को समाप्त करने के उसके अन्दर ही सब दरख्वास्तों का फैसला हो सके जो कि डेवेलपमेंट विंग के सामने आती हैं। जो कुछ भी रुकावट आये उसको दूर किया जाना चाहिये।

दूसरी बात कच्चे माल की आती है। जहां पर डेवेलपमेंट विंग की नियुक्ति की गई है इस बात के लिये कि वह नये उद्योगों के वास्ते कच्चे माल की व्यवस्था करे वहां पर अमल में कभी कभी ऐसा होता है कि यह विंग डेवेलपमेंट करने के बजाय उसमें रुकावट पैदा कर देता है। जितनी आवश्यकता माल की किसी उद्योग की होती है, उसके लिये मुझे नहीं मालूम है कि क्या खास तरह के क्राइटेरिया तय किये हुये हैं या आधार तय किये हुये हैं कि इस प्रकार माल दिया जाये, लेकिन ताज्जुब तो तब होता है जब एक ही तरह के औद्योगिक संस्थानों में, जहां एक तरह से काम होता है, एक को जितनी मदद मिलती है दूसरे को उसका चौथाई दिया जाता है। या यों कहिये कि एक को दूसरे का चौगुना मिलता है कच्चा माल। मैं चाहूंगा कि मंत्री महोदय इस पर ध्यान दें कि इस तरह की जो बातें होती हैं आखिर उनके पीछे क्या भावना होती है और ऐसा प्रयत्न करें कि जो नियम हों उनका पालन हो और उनको तोड़ने की हिम्मत किसी में न हो।

इसी तरह से जहां एस्टिमेट्स कमेटी ने और सिफारिशें की हैं, और मैं चाहूंगा कि माननीय मंत्री महोदय का ध्यान उधर जाये, वहां डेवेलपमेंट विंग के काम के संबंध में एक और सिफारिश है इस कमेटी की जिसकी तरफ सदन का ध्यान जाना चाहिये, यह है कि मुल्क में औद्योगिक साम्राज्य कायम हो रहे हैं, जिनको इंडस्ट्रियल एम्पायर्स की संज्ञा दी है एस्टिमेट्स कमेटी ने। ताज्जुब की बात है कि जहां भी कोई नये उद्योग खुलते हैं तो जो लोग पहले से उद्योगों में हैं वे अपने नाम से नहीं खोलते हैं बल्कि किसी अपने संबंधी के नाम से खोल देते हैं। मान लीजिये आगरा में कोई उद्योग चल रहा है तो वे बम्बई में अपने भाई के नाम से चलायेंगे, अगर बम्बई में अपने नाम से चल रहा है तो मद्रास में अपने भाई के नाम से चलायगे या भतीजे के नाम से चलायेंगे। अगर मद्रास में इस के भतीजे के नाम से उद्योग चल रहा है तो कलकत्ते में वह दूसरे भतीजे के नाम से चलायेंगे। इसलिये मैं चाहूंगा कि इस बात की जांच पड़ताल की जा कि जाये पंचवर्षीय योजनायें चलाई गई हैं उनकी विकास शाखा ने जो काम किये हैं उसका कहीं यह नतीजा तो नहीं होता है कि जो थोड़े से लोग हैं देश में उन्हीं के हाथों में सारे नये उद्योग बढ़ते चले जा रहे हों। हो सकता है कि इसका जवाब मंत्रालय की तरफ से दिया जाये कि चूंकि और लोगों के पास टैकनिकल नो-हाऊ नहीं है, या और लोगो के पास पूंजी नहीं है, अनुभव नहीं है, इसलिये इस तरह की बात होती है। मैं इस तरह की सारी दलीलों को मानने से इन्कार करता हूं। यह कोई दलील नहीं है। आपका एक विंग इस काम के लिए कायम है, वह टैकनिकल नौ-हाऊ देगा, वह पैसा भी देने की व्यवस्था करेगा और दूसरी सुविधाएं भी देगा। फिर कोई वजह नहीं हो सकती कि एक ही प्रकार के लोगों को, एक ही खानदान को ही नए उद्योग खोलने की इजाजत दी जाए। मुझे मालूम है कि एक साहब जो बम्बई में जिंक का कुछ काम करते हैं उनको अभी एक दूसरा लाइसेंस मद्रास में मिल गया है। कलकत्ते में उनके एक नजदीकी आदमी

को पहले से लाइसेंस मिला हुआ है। तो मैं यह कहना चाहता हूं कि यह जो मुल्क में इंडस्ट्रियल एम्पायर कायम करने की प्रवृत्ति चल रही है यह न केवल उद्योगों के लिए घातक होगी बल्कि यह जनतंत्र के लिए भी घातक सिद्ध हो सकती है। इसलिए समय रहते चेत जाना चाहिए। मैं समझता हूं कि न सरकार का यह मंशा है और न देश की प्रगति के लिए यह हितकर है कि थोड़े से लोगों के हाथों में विकास के साधन केन्द्रित हों। उचित यही होगा कि अधिक से अधिक लोगों को उसमें हिस्सा मिले और वह तभी मिल सकता है जबकि यह जो इंडस्ट्रियल एम्पायर बनाने की प्रवृत्ति चल रही है इसको रोका जाए। मैं समझता हूं कि मंत्री जी इस पर विशेष तौर से ध्यान देंगे। और अगले वर्ष जब सदन के सामने आएंगे तो उनकी यह रिपोर्ट होगी कि इस प्रवृत्ति को चैक करने की कोशिश की गयी है।

जहां तक छोटे उद्योगों का सवाल है उनके बारे में एक दो बात कह कर मैं समाप्त कर देना चाहता हूं। कच्चे माल की बात मैंने कही। कुछ उद्योग ऐसे हैं कि उनको कच्चे माल के न मिलने की वजह से उनके बन्द होने की आशंका हो जाती है। पिछले दिनों कच्चा माल ही भले एक जगह इकट्ठा हो लेकिन वैगनों की कमी की वजह से एक जगह से दूसरी जगह नहीं जा सका। इसकी वजह से भी उद्योगों पर बड़ा असर पड़ा। उदाहरण के लिए मैं फिरोजाबाद के कांच उद्योग के बारे में एक दो बात कहना चाहता हूं।

सभापति महोदय : माननीय सदस्य दो मिनट में समाप्त कर दें।

श्री ब्रजराज सिंह। अभी कितने मिनट हो गए।

सभापति महोदय : अभी १३ मिनट हुए हैं।

श्री ब्रजराज सिंह : मुझे २५ मिनट दिए जाएं। मैं अपनी पार्टी से अकेला ही बोलने वाला हूं और इधर विरोधी दल में कोई बोलने वाला नहीं है।

सभापति महोदय : आप चार पांच मिनट में समाप्त कर दीजिए।

श्री ब्रजराज सिंह : फिरोजाबाद में ग्लास वेयर का काम होता है। इससे हम फारिन एक्सचेंज पैदा कर सकते हैं। इस सामान को विदेशों में भेजा जा सकता है। सारे देश के निर्यात को देखते हुए तो हम इससे कोई विशेष फारिन एक्सचेंज पैदा नहीं करेंगे, वह तो ट्रेडीशनल चीजों के द्वारा ही हो सकता है, लेकिन जब आप छोटी छोटी चीजों को विदेश भेज कर फारिन एक्सचेंज पैदा करने की कोशिश कर रहे हैं, तो ग्लास वेयर भी एक ऐसी चीज है जिससे हम कुछ फारिन एक्सचेंज पैदा कर सकते हैं। मैं नहीं समझता कि क्यों कोई ऐसी योजना नहीं बनायी गयी कि ग्लास वेयर को बड़े पैमाने पर पैदा किया जा सके। इसके लिए आप उन लोगों को लाइसेंस दे सकते हैं जो छोटे पैमाने पर इसके लिए कारखाने खोलना चाहते हैं। मैं देखता हूं कि जब फिरोजाबाद में कांच के नए कारखाने खोलने की बात कही जाती है तो उसके रास्ते में रुकावटें डाली जाती हैं और कहा जाता है कि इसके लिए कच्चा माल नहीं मिलेगा, कोयला नहीं है, सोडा ऐश नहीं है और दूसरी चीजें प्राप्त नहीं होंगी। मैं चाहूंगा कि मंत्री जी इस ओर विशेष ध्यान दें और कच्चे माल की व्यवस्था करें ताकि ग्लास वेयर का बड़े पैमाने पर उत्पादन हो सके। इसको हम दूसरे मुल्कों में भेज कर आसानी से अच्छा खासा फारिन एक्सचेंज पैदा कर सकते हैं।

अभी जो हमारा बजट पेश हुआ है उसमें ग्लास वेयर पर नया टैक्स लगाया गया है। इस मामले में आपने छोटे उद्योग

[श्री ब्रजराज सिंह]

में और बड़े उद्योग में फर्क नहीं किया है। आप और मामलों में छोटे और बड़े उद्योगो में फर्क करते हैं जैसे कि खादी के कपड़े के लिए आपने विशेष संरक्षण दिया हुआ है। आप पांच लाख तक के उद्योग को छोटा उद्योग मानते हैं। लेकिन ग्लास वेयर के मामले में चाहे पांच लाख का उद्योग हो या ५० लाख और एक करोड़ का हो सब पर आपने एक सा टैक्स लगा दिया है। मैं चाहूंगा कि इस पर मंत्री महोदय विचार करें और फाइनस मिनिस्टर साहब से अनुरोध कर कि कांच के छोटे उद्योग पर यह टैक्स न लगाया जाए। अगर छोटे उद्योगों पर और बड़े उद्योगों पर समान टैक्स होगा तो छोटे उद्योग बड़े उद्योगों से कम्पीट नहीं कर सकेंगे क्योंकि बड़े उद्योगों को बहुत सी सुविधाएं प्राप्त होती हैं और उनका माल सस्ता तैयार होता है। इसलिए मेरा सुझाव है कि जो पांच लाख तक के कांच के कारखाने हैं, जिनमें पांच लाख तक की पूंजी इनवेस्ट की गयी है, उनको इस एक्साइज कर से मुक्त कर दिया जाए।

जहां तक एक्सपोर्ट का सवाल है। मैं समझता हूं कि बहुत अधिक कोशिश करने की जरूरत है जिससे कि हम अपनी इकानमी को स्टेबीलाइज कर सकें। मुल्क में अच्छा वातावरण पैदा करने के लिए हमें एक्सपोर्ट को अधिकाधिक बढ़ाना चाहिए। अभी तक जो कुछ हुआ है वह संतोषजनक नहीं है। मैं संक्षेप में यह बात कहना चाहता हूं कि जहां और कारगर उपाय निर्यात बढ़ाने के करने चाहिए वहां क्या सरकार इस बात पर भी सोचेगी कि जो हमारा माल विदेशों को विदेशी जहाजों द्वारा जाता है उनका खर्च कम किया जाए। हमारे यहां से जापान को आइरन ओर जाता है लेकिन लन्दन से कलकत्ता सामान लाने पर जितना खर्चा पड़ता है उससे ज्यादा पैसा कलकत्ता से आइरन ओर जापान ले जाने पर विदेशी जहाजी कम्पनियां हमसे लेती हैं। सरकार को इस दिशा में कदम उठाना चाहिए कि जो हमारा माल विदेशों को विदेशी जहाजों द्वारा जाता है वह कम खर्च पर जा सके।

नेशनल इंडस्ट्रियल कारपोरेशन की तरफ से जो कर्जा देने की व्यवस्था है छोटे-छोटे उद्योगों के लिए, उसमें इस तरह की शिकायतें हैं और एस्टीमेट्स कमेटी ने भी उनकी तरफ ध्यान खींचा है कि जिन लोगों को वास्तव में पैसे की आवश्यकता है उनको कर्जा नहीं मिलता पर जिनके पास पैसा है या जो पैसे की व्यवस्था कर सकते हैं उनको कर्जा दिया जाता है।

Shri Manubhai Shah: Perhaps, what the hon. Member has in mind is the National Small Industries Corporation. The National Industrial Development Corporation does not give loans to small industries at all.

Shri V. P. Nayar: He refers to the NIDC.

Shri Manubhai Shah: NIDC does not give loans to small industries.

श्री ब्रजराज सिंह: मैं बड़े उद्योगों के बारे में ही कह रहा हूं। उसके बारे में यह शिकायत है कि जिनको जरूरत होती है उनको नहीं मिलता पर जो अपने साधनों से इन्तिजाम कर सकते हैं उनको मिल जाता है। इधर सरकार का ध्यान जाना चाहिए।

एक और कठिनाई है जिसकी तरफ मैं सरकार का ध्यान दिलाना चाहता हूं। वह सीमेंट के वितरण के सम्बन्ध में है। आजकल सीमेंट फैक्टरियों में काफी पैदा हो रहा है लेकिन ऐसे स्थानों पर जहां उपभोक्ता उसका इस्तेमाल करना चाहते हैं वहां वह नहीं पहुंच पाता। इस कारण उन

स्थानों पर सीमेंट दुगनी कीमत पर बिक रहा है। उत्तर प्रदेश के कुछ हिस्सों में, खास कर पश्चिमी जिलों में सीमेंट १५ रुपए बोरी बिक रहा है। इसके लिए मेरा सुझाव है कि जिस तरह से आपने कोयले को जगह जगह डम्प करने की योजना बनायी है जहां से उसको सप्लाई किया जा सके उसी तरह से क्यों नहीं आप सीमेंट के बारे में भी करते। सीमेंट को भी विभिन्न स्थानों पर स्टाक किया जाए और वहां से जनता को आसानी से मिल सके ताकि उसको जो ज्यादा पैसा देना पड़ता है वह न देना पड़े।

एक अन्तिम बात कह कर मैं समाप्त करता हूं। बगास के न्यूजप्रिंट बनाने की योजना चार साल से विचाराधीन है, अभी तक वह चालू नहीं हो पायी है। मैं चाहूंगा कि वह जल्दी से जल्दी कार्यान्वित की जाए ताकि न्यूजप्रिंट का ज्यादा उत्पादन हो सके। लेकिन सरकार की तरफ से एक बात साफ करने की जरूरत है। अभी हाल में दो बड़े नए आर्थिक पत्र इकानमिक टाइम्स और फाइनेन्शल एक्सप्रेस निकाले गए हैं। जब दूसरे छोटे पत्रों को ६ महीने निकल चुकने के बाद न्यूजप्रिंट का कोटा मिलता है, तो इनको कैसे कोटा शुरू से ही मिल गया और अगर नहीं मिला तो ये पत्र किस प्रकार इतने बड़े पैमाने पर निकल रहे हैं। सरकार की तरफ से इसका स्पष्टीकरण होना चाहिए क्योंकि जब दूसरे छोटे पत्रों को कोटा नहीं मिलेगा और बड़े पत्रों को मिल जाएगा तो छोटे पत्रों के सामने बड़ी दिक्कतें पैदा हो सकती हैं।

Shrimati Renuka Ray (Malda): Mr. Chairman Sir, some hon. speakers had said quite correctly that the ramifications of this Ministry in particular are so great that one is likely to get lost in the maze. But whatever be the ramifications or the details there is one thing which is clear, namely, that taken from the overall point of view it is this Ministry perhaps which plays the most significant role, or one of the most significant role, in establishing the economic pattern of our socity. It is from that angle that we have to judge of its achievements.

Let us first take the productivity side. What part has it played on tha side? I think here there is a welcome trend. There is no doubt that, so far as productivity is concerned, the targets of the Second Plan have been exceeded. From that angle certainly the Ministry's work is to be commended. I shall go into one or two details here and there.

But I am talking of the overall picture on this side. There is another side of equal importance and that is the question of distribution. What is happeing regarding distribution of the greater wealth and the increased national income that is taking place?

The Third Plan Outline says that it should not be private profit or the interest of the few, but the good of the community as a whole which should be our objective. But what do we find? While production is increasing, there is no doubt that wealth is going into fewer and fewer hands. This is happening before our eyes in all the great cities of this land. You see the change-over, the shift of income from the middle class, fixed income groups and lower income groups to very wealthy groups who can afford every kind of luxury, while the others cannot even keep up their stadards of living. This is visible before out eyes.

It is true that a committee has been appointed to enquire as to where the national income due to greater productivity has gone and how its distribution has taken place. But even without waiting for the report of that committee, it is obvious as to what is happening. It is very important that we should put our entire focus on

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this: are we going to build an oligarchy of the rich? Is our democratic system going to be utilised by the very rich to control the whole country?

Shri V. P. Nayar: Yes.

Shrimati Renuka Ray: If we are to avoid this—I do not agree with my hon. friend Shri V. P Nayar that we do not intend to avoid this—we have to be very careful; we have to be very cautious as to how we proceed.

The time at my disposal is very limited, that I cannot go into very many details. But whatever points I am going to dwell on will be from this dual objective as to how far this Ministry's working is bringing about greater productivity and better distribution of wealth in this country. First of all, I should like to congratulate the hon. Minister for Industries in regard to one point and that is that 48,000 units of small-scale industries have been expanded and it is a very welcome feature, because it is here that we get the small enterpreneur to counteract to some extent the concentration of wealth into fewer and fewer hands. But here again, a difficult situation—I am sure the Minister himself will agree—has come up. That is these industries are now going to languish, unless imports are allowed in much greater extent, because some of the raw materials are not obtainable. We should—I hope we shall at least in future—plan these small-scale industries in such a way that we try to get them the raw materials in the country, as far as possible, and plan for whatever is to be imported from before so that this position is not reached that they languish for want of raw materials.

Then, Sir, the Estimates Committee's report on the Development Wing has pointed out that for the healthy economy of the country, it is better to have more medium-scale industrial units rather than large-scale units. Even here the activities and proclivities of a few persons who may try to control these medium-scale industries have to be watched. Here again, the Estimates Committee at page 75 of their Report on the Development Wing say:

> "The Committee recommend that the form of applications for industrial licence should be revised so as to make it obligatory on the part of an applicant to declare the particulars of the various firms, companies or groups of Industries wherein he held an interest as also particulars of licences pending utilisation."

All these matters are of very great significance. We have many of them on paper. We have passed many pieces of legislation There is the Company Law administration with a view to bring about control of industries. All the same we seem to have failed in our purpose to a large extent and I would request this Ministry to put greater focus on the side of distribution.

The other day, Sir, I asked a supplementary of hon. Deputy Minister as to what credit facilities were provided for the small entrepreneur if he combined in cooperatives for export purpose. The answer I got was that he only knew of one and that was the onion exporters' cooperative. He is a good friend of mine and I do not want to disparage him. But I wish to tell him one thing. This is a mentality in this country, in the Ministry and in this House—all of us have it to some extent. It is not a question of what is existing. It is a question of what we should do to help the cooperative sector, to provide credit facilities for export and for so many other things.

The Deputy Minister of Commerce and Industry (Shri Satish Chandra): The question related to expansion of long-term credit facilities for export. When the hon. lady Member asked

something about promotion of co-operatives for exports, I said that a cooperative society was handling export of onions and no long term credit was required in its case. It was a statement of fact.

Shrimati Renuka Ray: My question was whether Government would give incentives to such cooperative societies for them to come into existence and the answer was that there was only one onion cooperative. The answer is very amusing, but it does not meet with the important thing, that is to give incentive to the co-operative sector and to see that there was growth of the cooperative sector. Credit facilities for export is only one thing. There are so many other facilities and in all of them we have this attitude and this aprpoach still with us.

Regarding cottage industries, there has been some improvement, but we should not be complacent about it. In this connection I want to bring one example to the notice of Government. I represent a district called Malda, in West Bengal, which is noted for its silk industry. There are similar industries in other areas. Its silk yarn is considered to be one of the best in the country and yet silk weaving is not being encouraged in that area, or given the incentive it should be. I would request the hon. Minister to look into this matter with care, because it would help our export trade and ultimately give employment to many. Regarding small power loom units, I would request the hon. Minister, who is here, to ask his colleague the Finance Minister, to make a further concession and to exempt from excise at least units up to 4 looms Unless that is done it will affect the small producer and create a great deal of heart-burning. I hope due to the efforts of the Commerce and Industry Ministry this amendment will be given effect to in the Finance Bill.

Then, Sir, there are large numbers of Boards and Corporations for different industries in this Ministry. I have no objection to it. But inspite of all these Boards and all the Corporations why is it said in the Ministry's report this year that the question of quality control, which is very essential for our export trade, is under discussion?

Why does the Ministry's report say that an *ad hoc* committee has been set up to make recommendations to Government regarding the imposition of quality control, now after so many years, when there have been so many complaints? When we are so anxious to increase our export trade in new items as well as in traditional ones, why has quality control not been brought in? I would request the Ministry to see that before they come before the House next year they have imposed quality control

Then comes the question of export promotion. So many Members have already spoken about it that I won't dwell much on this, because I have other things to speak about. I would only like to say one thing and that is in regard to some of the traditional foreign exchange earners like tea and jute. In regard to the traditional foreign exchange earner, namely tea, many Members have spoken, but I do feel that this tea is, again, going into the hands of persons who had not in the past much experience of it, and the result is that replanting and various other things that should be done are not being done in a proper perspective.

Mr. Chairman: The hon. Member's time is up.

Shrimati Renuka Ray: I hope you will give me a few more minutes. I am coming now to a very important subject, and that is the subject of the public and private sector undertakings. By the 1948 Industrial Policy Resolution we assigned precise places for the public and private sector enterprises. It is extraordinary but true that whenever there are public sector enterprises which are, naturally, before the public gaze, you will

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find that the most insidious propaganda is carried on against them even in the incubation period by the very vested interests who are controlling, or trying to control, the country's interests. They do a great deal of harm to it. My hon. friend Shri Harish Chandra Mathur called attention to some of thoese points the other day. I would like to say that if out of Rs. 600 crores, Rs. 400 crores invested in the public sector undertakings are in regard to investments where the actual working has not yet started or has just started a couple of years ago, you cannot expect dividends out of that. But putting aside all the propaganda that is done to discredit the public sector undertakings, it is so vital that they should succeed that we must take into account the real difficulties. The first difficulty that arose was lack of experience of those who undertook these industries. The earlier Estimates Committee's reports called attention to these matters, and some of these matters have been rectified. Then later on we find that other difficulties have come up. The greatest difficulty is to find a compromise for efficiency and accountability to Parliament. I have no time to dwell on this point. But people have given a great deal of thought to this, and I think it is essential that the Secretariat should be eliminated from this. Even today you have these autonomous Boards or the autonomous Corporations. I myself was for a time on one of these so-called autonomous Corporations, and I know that this merely means a dual thing, that is, the same thing is done twice over. An autonomous Corporation goes through a whole lot of matters, they decide on these matters. Then the thing goes to the entire Secretariat and the Minister decides it. Probably it comes back and then it is for the autonomous Corporation to discuss again the alterations made and so it goes on. Perhaps the hon. Minister might say that I am exaggerating this to some extent. But the fact is that it does hamper the work, and I am sure the Minister of Industry is well aware of it. The only way out here would be for the people who undertake the work of these industries to be accountable to the Minister who is accountable to Parliament; and if any one comes in, the Secretary should come in not the whole Secretariat.

Then, about this Industrial Management Pool, I welcome it, but I think a great deal more has to be done regarding training and scales of pay. I think the Company Law Administration comes into the picture. Here there should be some kind of comparison between the pay of the private sector and the public sector employees. Otherwise it is impossible to draw the best. If on top levels, on managerial levels with companies you can interfere, surely you can lay down some kind of income levels for private sector also which will stand comparison with the public sector.

My last point is in regard to costing in production. I have no time to speak on it. But I hope the hon. Minister will take this into consideration to much greater extent than before, because the rise of prices to a large extent, or to some extent, depends upon the costing, both in the public and the private sector enterprises. I support the Demands.

Shri Somani (Dausa): Mr. Chairman, the achievements of the Ministry of commerce and Industry during the period under review have been quite impressive, as shown in the report of the Ministry. Industrial production has gone up during the last year by as much as twelve per cent, a number of new industries have sprung up, and indeed there is a welcome diversification of our industrial pattern of production. The intrastructure of our industrial economy has been strengthened. The machine-building industry is expanding.

All these are really very good signs for the future dynamic growth of our industrialisation programme under the Third Plan. However, there are certain disquieting features to which I would like to draw the attention of our new Commerce and Industry Minister, whom I welcome and who has only recently taken over charge from his distinguished predecessor. The complexity and magnitude of these problems is quite obvious, but the problems, I hope, will be solved in a manner which wil not retard the dyamic growth of our industrialisation programme.

I would first like to refer to the problems of the textile industry, although these have been debated at great length in the past. I would only briefly like to draw the attention of the Government to the fact that on the pressure that was exercised on this industry, the Indian Textile Mills Feredation made a gesture which has been, I am very glad to find, appreciated by the hon. Minister of Commerce just now. The industry voluntarily came forward to respond favourably to the demand by the Government, for making a substantial reduction in cloth prices. But unfortunately the sacrifice of the industry was nullified by the series of new levies which were imposed during the recent budget.

However, my main submission in regard to the problems of the textile industry is about the recommendations of the Working Group which made a very exhaustive and comprehensive review of all aspects of the working of this important industry. I am very glad to find that the Government resolution on the recommendations of the Working Group indicates that in regard to most of the recommendations they have accepted them and have assured us of immediate action in several directions. However, I would like to draw the attention of the hon. Minister to one very vital recommendation of the Working Group, the decision about which, I am afraid, is absolutely vague and will not meet the requirements of the situation.

The estimates of modernisation made by the Working Group indicate that an amount of the order of Rs. 180 crores will be required even if the modest programme of rehabilitation and modernisation of this important industry is to be undertaken in the Third Plan. While Government have accepted the mangnitude of this problem, they say in paragraph 7 of their resolution that:

> "Government appreciate and accept the vital need for modernisation and rehabilitation of this important industry. They have noted this recommendation and propose to constantly review the position during the Third Five Year Plan so as to expedite the pace of modernisation, rehabilitation and diversification of the cotton textile industry.".

This review has already been done by the working group. What was necessary was some definite, concrete and positive action on the part of Government to enable the industry to find this colossal amount of Rs. 180 crores for a modest programme of modernisation. The industry is expected to find about Rs. 80 crores out of this huge requirement of Rs. 180 crores, but it will be appreciated that this amount of Rs. 80 crores needed by the industry can be found by it only if there is a policy of allowing the industry to charge reasonable prices which will leave with the industry a reasonable surplus from its internal working, which will provide the necessary resoures of Rs. 80 crores to finance the programme of modernisation.

Shri V. P. Nayar: What is the total profit earned by them?

Shri Somani: But, I am afraid that the rigid policy that is followed in regulating the prices of textiles will not leave with the industry the amount that is necessary to finance this programme. Over and above

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that, the industry is expected to secure financial accommodation from the NIDC to the extent of Rs. 100 crores, but in the Third Plan, only a meagre amount of Rs. 20 crores has been placed at the disposal of the NIDC, and I do not see how the financial accommodation of the order of Rs. 100 crores is going to be found by the NIDC for meeting the genuine requirements of the textile industry.

This is really a very urgent problem which should have been faced in a realistic and practical manner. As it is, the Government Resolution leaves the whole situation quite vague and has only expressed a pious hope that the pace of modernisation will be accelerated. I do hope and trust that something positive will be done. I suggest in all humility that the industry should be allowed to charge a small excise levy on its sales, and that amount should be specifically earmarked for the purposes of modernisation. I mean to suggest that this amount should not be treated as normal profit. It should not be subject to income-tax. At the same time, the managing agents or the shareholders or even labour should not also be eligible to draw anything from this amount. The whole amount should be exclusively earmarked for the purposes of modernisation.

In this connection, I also welcome the indication made in that resolution that the recommendation made by the working group about the third shift depreciation allowance is also under the consideration of Government. Now that the Finance Bil will be taken up shortly in the House, I do hope and trust that the hon. Minister of Commerce and Industry will take up this matter with his colleague the Finance Minister and see that the necessary provision for the introduction of third shift or depreciation allowance is incorporated in the Finance Bill.

The problems of the textile industry which is a premier industry, which have caused a lot of cerncern both to the Government and to the industry should receive the very serious consideration which it deserves. But, as I was saying earlier, I am afraid that so far as the vital aspect of modernisation and rehabilitation is concerned, the Government Resolution does not go for enough. Some more positive and definite and concrete measures should be taken to ensure that the industry will be able to modernise its plant and machinery in a manner which will be conducive for production for internal consumption as well as production for export trade.

Another matter to which also I would like to draw the attention of Government is about the very rigid policy of price fixation which is being followed by the Ministry in regulating the prices of various manufactured goods of industries which are of basic importance to our national economy. The whole pattern of priorities is based on the fact that these industries occupy a very significant place, and so, the prices of the articles produced by these industries should be such as would allow the industries to expand and would be conducive to this programme of expansion. But, indeed, it is very surprising to find that the industries which have got a lower priority are making much greater profits than those which are of basic importance since their prices are rigidly controlled.

Just now, one hon. Member was complaining about the shortage of cement, about which everybody knows, and yet the policy which the Ministry is following in regard to cement prices is absolutely unrealistic. Even the recommendations of the Tariff Commission according to which they have made a provision for an upward or downward readjustment of prices whenever there is any change in the prices of coal or in freight etc. has not been implemented by the Ministry. The Ministry is convinced that there is a genuine case for an increase

in cement pirces, and yet, the Ministry is content with merely making a reference to the Tariff Commission, and I do not know whether even the Tariff Commission will be able to complete their examination by the period from which the prices have to be readjusted.

Shri V. P. Nayar: What is the price demanded? Let us have an idea.

Shri Somani: A comprehensive representation has been made to the Ministry, and the various details of increase in the manufacturing expenses have been indicated therein, and it is a question of factual examination; and the Ministry itself is convinced that the industry is entitled to a reasonable increase in prices.

My point is that if such basic industries are forced to have uneconomic working and are not left with adequate reserves to enable them to carry out their programme of modernisation and expansion, then, it is not in the national interest; it is not a question of the interests of that particular industry only, but it is a national question. The various industries of basic importance should be allowed to function economically and in a manner which will be very conducive to their growth and expansion, so that the shortage of these basic commodities will not be felt by the consumers.

Even in such a small matter as packing charges, Government had for some time imposed certain arbitrary prices on the industry, but I would not like to labour that point, because the matter has been set right, and, I have, therefore, nothing more to say.

My submission in regard to the price fixation policy is that whether it is on the question of textiles or of cement or paper, while Government take every possible care to rigidly enforce controlled prices in these industries, the policy should be regulated in such a manner as to leave adequate margin of profits with those industries to enable them to grow and expand.

Another point to which various hon. Members have made reference is about the question of exports. I would not certainly like to repeat those arguments because the question has been dealt with in all its aspects. I would only like to draw the attention of Government to a very comprehensive representation which has recently been made by the Federation of Indian Chambers of Commerce and Industry in regard to the promotion of exports. I was rather disappointed to find that the hon. Minister of Commerce and Industry, that is, the predecessor of the present hon. Minister, while speaking at a meeting of the Export Advisory Council the other day simply remarked that there was nothing new in the Federation's proposals. It is not anything new that is required, but what is required is a vigorous and dynamic programme which will stimulate our exports. The stagnation in our export trade requires to be broken. We must take vigorous and dynamic measures to see that there is a substantial increase in our exports. The simple suggestions like currency retention, export bonus, relief in income-tax for export business have all been adopted, and adopted with very good results, in highly industrialised countries like Japan and West Germany, and I do not see the slightest justification why our Government should not seriously explore the practical aspects of these suggestions. These incentive schemes wherever they have been tried have given very good dividends. I have no doubt that subject to certain safeguards, if these incentives like currency retention and rebate from income-tax based on the increase in exports on the basis of certain past performance etc. are introduced, they will really bring about a dynamic increase in our exports, which is the need of our economy at present. The export trade requires to be reviewed on an urgent basis, and I do hope and trust that every possible measure

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will be taken to see that our exports do not remain stagnant but a substantial increase is brought about.

In this connection, I also concede that there is a responsibility on the various industries to promote export trade and see that everything possible is done in this behalf, even if it be at some sacrifice. And, I have no doubt that whatever call will be made by the hon. Minister of Commerce and Industry in this connection will be favourably responded to by the various industries, to see that they co-operate fully with the government departments concerned in seeing that the exports rise to the needs of the situation.

15 hrs.

The only other point that I would now like to touch upon is what our hon. friend, Shri V. P. Nayar, yesterday referred to and what our distinguished lady Member just now was talking about—the concentration of economic power. (*Interruption*). I have no quarrel with the policy which Government is following, to give preference in all cases to new entrepreneurs whenever they are forthcoming for any industrial project. So far as policy is concerned, so far as I know, Government do take proper care to see that our industrial structure is as broadbased as is feasible under the circumstances. However, we have to take note really of the needs of the situation. And, if really we want to go forward in a rapid way towards industrialisation, then, there is no escape from the fact that big business houses have got to be encouraged and allowed to go ahead and utilise their resources, both financial and managerial capacity for the rapid programme of industrialisation.

It is a known fact that mergers and amalgamations are taking place in the highly industrialised countries like the the U.K. and U.S.A. where even the big corporations are merging into giant and very huge organisations in order to ensure that they will be able to function efficiently and play a very signficant role in diversifying the various industrial projects in their countries.

Shri V. P. Nayar: But they have no code of socialism.

Shri Somani: Compared to the size of those corporations, even our biggest business houses are almost pygmies. We are nowhere near the size of those corporations in the United States and the United Kingdom and other highly industrialised countries. If really we are to go forward with industrialisation at a rapid pace, there is no escape from the fact that our business and industrial corporations have to grow bigger and bigger in order to enable them to fulfil the responsibilities which modern technology and science demands from the present industrial structure. This is a historical fact which can be reviewed on the basis of the last 10 years. There have been mergers and amalgamations; and there has been a tremendous growth of very big and giant industries in the industrial world and they play a very significant role. I do not see that there is any monopoly trend in this country. Government is taking enough care under the powers which they have under the various Acts; and so far as the rich getting richer is concerned, the Income-tax Act of the Finance Minister will take care of whatever extra income is derived. If there is to be a ceiling on the growth of industries on this ideological basis of concentration of economic power, I do not think it will be in the best interests of the country. Once our industrial potential is fully exploited we can do that; but so far as the present circumstances are concerned, there is every justification for going ahead to encourage big business houses to utilise their resources for the best interests of the country.

Shri Viswanatha Reddy (Rajampet): Mr. Chairman, Sir, judging from the

various indices of industrial production and the number of new items that are going into production, which were formerly imported, and the general buoyancy in the industrial world in this country, I must say that the functions with which the Ministry of Commerce and Industry has been charged are discharged very well. It is our expectation that at the end of the Third Five Year Plan, the country will be in a position of economic take-off. In order to arrive at this position, the duties that have to be discharged by this Ministry are very important, and, in fact, they are very vital. In bringing the country to this position, the duties that have been performed by this Ministry so far are quite laudable and it gives us the hope that within the prescribed period the country would reach that particular stage.

At this stage in the debate it is not for me to go into the various points which have been raised; it would be in the nature of a repetition if I mention them. Therefore, I would confine my remarks to such of those points which need a little more stress and also some of the new points that have not been raised.

Reference has already been made by several speakers to the dispersal of industries to various under-developed areas in the country. In principle, this was accepted in the Second Plan and has been reiterated in the Third Plan also. However, probably, due to various other difficulties that are faced by the Ministry this policy has not been actively pursued. Several speakers in the committee which was specially set up on industries to discuss the Draft Third Five Year Plan—most of the Members—stressed this point very energetically. And the Member of the Planning Commission who took account of the speeches and made his reply towards the end conceded that this is a policy which has got to be pursued with greater vigour, today. I hope the hon. Minister and the Ministry are well aware of this position and would do something at least in the Third Five Year Plan.

I stand here as one of the Members from Andhra Pradesh and it would be my duty to represent to Government some of the salient figures which would help the hon. Minister to decide the policies that are to be pursued with reference to industrialisation in the Andhra State. If I might mention figures.....

Shri V. P. Nayar: Do not ask for heavy electricals.

Shri Viswanatha Reddy: I won't demand as you did the other day. I won't threaten; but I would put my case properly.

Here are some figures about the *per capita* investment in industry. In the Andhra Pradesh it is Rs. 10·68, while in Bombay, it is Rs. 46·1, West Bengal, Rs. 65·39, Madras, Rs. 19·6 and the all-India average is Rs. 20. That is to say that Andhra Pradesh is exactly half the all-India average.

As regards *per capita* income from industry, the figures are: Andhra Pradesh, Rs. 20·23, Bombay, Rs. 79·07. West Bengal Rs 80·87 and Madras Rs. 39·01. The most important point which I would like the hon. Minister to note is that the all-India average is Rs. 39·60. That is Andhra Pradesh, again, is exactly half the all-India average in this respect.

Shri V. P. Nayar: How is Kerala?

Shri Viswanatha Reddy: I do not have the figure; that would have been your duty to place the figure.

Shri Harish Chandra Mathur (Pali): Can you give the Rajasthan figures?

Shri Viswanatha Reddy: I do not have them.

As regards the advance of national income during the last two Plan periods, in Andhra it is 70·22 per cent and the all-India figure is 86·3 per cent. The *per capita* advance in

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national income is 28·86 in the Andhra Pradesh and the all-India figure is 40·39. That is, again, just 60 per cent of the all-India average. It clearly shows that in the matter of industrialisation, the Andhra area is so far neglected. I would not like to apportion the blame in this respect because I quite recognise that in the initial stages it would be the duty of the Ministry of Commerce and Industry to see that the industries come up in the country and not to dwell more on the location of the industries. But the time has now come when the location of the industries has also got to be actually considered.

It is presumed that by utilising the provisions of the Industries(Development and Regulation) Act the necessary instructions would be given in the matter of the location of these industries. However, that has not been done so far. The riew of the private industry in this respect is that while in the matter of the location of the public sector industries this principle of decentralisation is forgotten, why should it be insisted in the matter of the private sector alone —this principle of the dispersal of industries. There is no answer to this question. The public undertakings should set an example by their performance and then only it is justifiable for us to use the provisions of the Industries Development and Regulation Act. In this connection, I would like to mention about the location of the heavy electrical projects, one of which is to be located somewhere in the south. I would not urge the location of this project in Andhra Pradesh, if it is not at all feasible on merits. My only request is that, if on merits Andhra Pradesh deserves this industry, no political or other considerations should weigh with the Government. Therefore, I would urge that the location of this industry should be urged merely on merits. I leave this point there.

I would now like to refer to the pricing policy of the products in the public sector. In recent months there is a great deal of controversy raging in the country with regard to the price policy that has to be pursued in respect of the products of the public sector undertakings. Two views have been expressed. One view is that all the public sector undertakings should function on a no-profit-no-loss basis. The other view is that the products of these undertakings should have a considerable element of profit for these industries are to contribute Rs. 440 crores to the resources of the Third Plan. One cannot dogmatically say which view is correct. But the view that no loss-no-profit policy should be pursued can be rejected outright because of the large investment made in them; this investment is derived from the public exchequer which in turn is derived from the sacrifices of the people of India. So, they must produce adequate returns and return to the public exchequer instead of benefiting one section of the community. With regard to the price of products coming out of these industries, the guiding factor in my opinion should be this. If it is a product which is not at all manufactured in this country so far, the notional figure of the landed cost of these products should be a guide. In respect of those commodities which already figure in indigenous manufacture, then the market has already found its level and the price in the open market or at least the price that rules after allowing for a reasonable margin of profit should be the guiding factor in fixing these prices. Since this question is very much alive in view of the fact that several industries are coming into production, I hope full attention would be paid by the Ministry to this problem.

I would like to refer to one or two points which were referred to the other day by Shri Mathur in respect of the small industries in this country. One very amazing thing which Shri Mathur said the other day was that during the last six months not a

single loan application made to the Small Industries Corporation has been sanctioned.

Shri Harish Chandra Mathur: The foreign exchange has not been made available during the last six months and so all the applications are accumulating. The small industry people had deposited about a crore of rupees with the Corporation and that is lying idle because the foreign exchange has not been made available.

Shri Viswanatha Reddy: I stand corrected. But even in respect of loans, my submission is that the rate at which these applications are disposed of is very slow. Besides the applications are vetted in the regional corporations situated in various places and finally they are passed on to the chief institution which is in Delhi. That is to say, the small entrepreneur who makes his application through the various regional corporations will have to make a trip to Delhi in order to finalise his application. At the time these regional corporations were formed, it was intended that these applications would be finally disposed of in these regional corporations. Now, there is so much of centralisation in this Corporation that the small entrepreneurs are put to a lot of difficulties. I would certainly suggest for the consideration of the Ministry that these applications should be finally disposed of by these regional corporations themselves rather than coming to the main Corporation in Delhi.

With regard to the supply of raw materials, various small units situated particularly in the south, have not received adequate supply of raw material such as iron and steel and also certain other non ferrous material. I hope the hon. Minister would take adequate care of the supply of raw materials to these units which have come into being some two or three years ago . . . (*Interruptions.*)

Shri V. P. Nayar: Sir, the hon. Minister of Parliamentary Affairs is setting a bad example, the moment he comes, to his junior colleagues.

Shri Viswanatha Reddy: Reference has already been made by several speakers to the recommendations of the Estimates Committee in respect of the licensing policy and I would not like to go into the details. Suffice it to say that there seems to be some sort of racketeering going on in licensing, according to the Estimates Committee, the several corporations which had come up today. Further, specific references had been made by the Estimates Committee with regard to the allocation of quotas, particularly to non-ferrous metal industries. Now, the Estimates Committee, on the strength of the evidence before it, has stated that the raw material quota, particularly to non ferrous metal industries is given on the basis of certain basic year and not on the basis of the performance of these industries with the result that certain units which receive large amounts of quota of non-ferrous metals are not able to use them. These units do indulge in the sale of raw materials in the black markets whereas the units which really utilise all these raw materials have to purchase them in the open market from those other units which get an excess. I would certainly plead for the allocation of raw material on the basis of the performance of these units in the previous licensing period instead of on the basis of a certain basic year which is very much out of date.

Lastly, I would like to pay a tribute to our light engineering industry in this country. It has done a good job in the matter of exporting its products. These products have earned more foreign exchange than was targeted for them. I have also been told that the quality and the price and the finish of these light engineering goods compare favourable with those of any other highly industrialised country. However, in the Third Plan a target of Rs. 30 crores had been fixed as the export earning of the light engineering goods. To achieve this

[Shri Viswanatha Reddy]

target, a suggestion has been made by the Chairman of the Export Promotion Council of these light engineering goods that a percentage of the earnings made in the export of these goods should be made income-tax free as had been done in Japan. That will give a great boost to the export of these commodities. If that is done, I am sure that the target could be doubled.

The very last point which I would like to mention is about the cotton textile industry. As the House knows very well. Andhra Pradesh is a State which produces a large amount of cotton but the amount of spindleage and loomage allotted to Andhra Pradesh is very little. If you look at the figures of production of cotton and the utilisation of cotton you will find that Andhra figures at the very bottom. Is it the function of the Andhra State merely to produce cotton and sell it to others, or, can Andhra State be permitted to have its own industry? This is the time, I am told, when spindleage and loomage are allocated. I would certainly plead with the hon. Minister to see that sufficient loomage and spindleage are allocated to Andhra Pradesh if there are applications.

Also, I have been told that for the purpose of export of cloth, a flawless cloth making plant is to be located somewhere in the south. If I may say so, Andhra Pradesh is the best area which is suited for the location of this industry.

I am sorry I have got to say a lot and I have said a lot with particular reference to Andhra Pradesh which may probably have sounded rather parochial but the House will bear with me in the face of the fact that Andhra Pradesh is very backward in the matter of industries, and so I have no other alternative but to plead for special consideration to Andhra Pradesh State.

Shri Dharmalingam* (Thiruvannamalai): "Mr. Chairman, Sir, at the outset let me thank you for the rare privilege which you have conferred on D.M.K. in allowing me as their spokesman to express their views on the various facts of industrial and commercial development of this sub-continent. I am afraid I cannot help protesting against the way South Indian industry is deliberately crippled by those perched on the high pedestals of this North Indian Government. I can adduce myriads of reasons and enumerate innumerable examples to show how South Indian industries have been emaciated by calculated and cold-blooded conspiracy of Delhi Government. Permit me, Sir, to cite on the floor of this House only a few examples of misrule and mismanagement.

Proper incentives have not been given to the *beedi* industry in the South which earns and has enough capacity to earn foreign exchange which is badly needed for development of this sub-continent. Sir, the most glaring example of step-motherly treatment is evident in the sphere of handlooms. The production ceiling has been raised for the mills sector at the expense of handloom sector. All sorts of textiles are at present exclusively reserved for mill sector. This is indeed unsatisfactory. Allow me to appeal to the Minister of Commerce and Industry through you with a view to alleviate the distress of those employed in the handloom industry that he should see that the production of bordered dhoties and sarees should be exclusively reserved for the handloom sector. I would suggest that till such reservation is made more subventions and subsidies should be given to the handloom industry. If the Government is not step-motherly in producing sales of handloom goods, they should come forward to give a rebate of 0·31 nP on festival days and 0·10 nP on other days to handloom goods on par with khadi goods now given.

*English translation of the speech delivered in Tamil.

The export potential of the handloom industry should be fully explored without any further loss of time. I find from the various reports of this Ministry that export of handloom cloth is decreasing year by year whereas the export of mill textiles is increasing. It is often said that the decrease in handloom products is due to bad quality of cloth. I may say here that the bad quality, if it can be called that way, is due to insufficient supply of dyestuffs and other requisite chemicals which are the mainstay of the handloom industry. It is very unfortunate that import of coal tar and other essential dye-stuffs are now the exclusive prerogative of some predatory intermediaries in Bombay with the result the South Indian handloom industry are helpless at present dependent on the scanty supplies doled out by the Bombay importers. This apart, the Bombay demigods adulterate the dye-stuffs resulting in deterioration of the quality and standards of South Indian handloom products. The only solution to this malady appears to be the immediate grant of licences to the Madras Handloom Board to enable them to import dye-stuffs and other chemicals through the Madras port.

I may be allowed to invite attention of the Government to the incalculable harm done to the film industry in the South by discrimination shown by the Government in the matter of allocation of raw film quotas against Madras. As a matter of fact, Sir, Tamil films command a wider audience at home and abroad, earn more foreign exchange than Hindi films. Therefore, it passes my comprehension why the North Indian film industry alone is now petted and pampered. I also suggest that the installation of raw film manufacturing factory at Ooty should be expedited.

Another prominent example of discrimination by the Central Government against South is in the sphere of fertilisers. The plants at Varanasi and Nangal have started production in full swing. Rourkela will commence production in 1962, whereas in the much-neglected Neyveli in the South, even the plant and machinery have not yet been erected and it is a pity, Neyveli is scheduled to begin production only in 1963. The House would of course join me in my feelings of pain and remorse. I now undergo in looking at the way South Indian agriculture is sought to be strangled in such an indirect way by the Government. Inadequate allocation of iron and steel and provision of other essential raw materials to feed the various small industries in the industrial estate, Guindy, is yet another example of the natural antipathy and indifference of the North Indian Government against the South Indian interest.

I would appeal to the Central Government to accept the recommendation of the Madras Government for the setting up of sugar mills in various parts of the Madras State in general and Thiruvannamalai in particular. The crying need of Madras State at present is the setting up of a heavy electrical factory on the pattern of the one already set up in Bhopal. More licences should be given for the setting up of industries —medium and small-scale—in south. Barring Perambur Coach Factory, no other big industry has been set up by the Government of India in public sector, whereas many big industries have been established in north during the first and second Five Year plans.

Dr. M. S. Aney (Nagpur): On a point of order. The speech of the hon. Member is very eloquent. But Sir, are you in a position to regulate the debate and see whether what he speaks is relevant or irrelevant, whether all that he says is parliamentary or unparliamentary?

Shri Dharmalingam: I have give an English summary of my speech.

Mr. Chairman: All these points have been considered and it has been the accepted practice in the House to allow the hon. Members who cannot speak in Hindi or English to speak

[Mr. Chairman]

in their own language. An English version of the same speech is afterwards made available.

Shri Dharmalingam: I have got an English version of the speech with me; only I am speaking in Tamil.

Shri D. C. Sharma (Gurdaspur): But how am I to understand what he is talking?

Mr. Chairman: Hon. Members will have to bear with each other. Otherwise, it will be difficult for certain Members to be effective in any way in this House. This point may not be discussed any further. The hon. Member may continue his speech.

Shri Dharmalingam: Last but not least is the conspicuous problem of concentration and centralisation of power in the various offices of the Ministry of Commerce and Industry which cluster round in New Delhi. The people of the south are put to great inconveniences and immense hardships due to this factor and it is high time that the important offices of the Commerce and Industry Ministry were dispersed to various other cities of this sub-continent like Madras, Bombay and Calcutta.

The Hon. Prime Minister and the Finance Minister when they go abroad declare that if there is lop-sided development in the world, there will be no equilibrium resulting in far-reaching consequences. The lop-sided development at the expense of the south is prominently visible in this very sub-continent. Therefore, I would like them to give to this due consideration and not to throw stones from a glass house.

Allow me to congratulate my esteemed friend, Shri K. C. Reddy, on his recent elevation. I am sure he will acquit himself creditably and prove equal to the task imposed on him on the assignment to him of the most important portfolio in the Cabinet.

Shri Maniyangadan (Kottayam) *rose—*

Shri V. P. Nayar: He may speak in Malayalam.

Shri Maniyangadan: I would like very much to speak in Malayalam, but fortunately or unfortunately I know a bit of English and I do not want to inconvenience the majority of the Members here, though sometimes I am inconvenienced because of my lack of knowledge of Hindi.

I have to congratulate the Ministry on the phenomenal achievements that they were able to achieve during ast year. I do not think there is any country in the world which has been able to achieve so much in the industrial field in so short a time, in the circumstances in which we are placed. Production has considerably increased. It has been referred by several hon. Members and I do not want to go into details. In the matter of exports also, reference has been made by several Members. We have achieved the target in the second Five Year Plan as regards exports. But I may submit that though we have achieved the target and other efforts are being made to increase exports, I am one of those who think that we would not be able to cope with our foreign exchange needs by exports alone. Our share of export trade in world trade is decreasing, as will be clear from the figures. In 1948 it was 2·6 per cent whereas in 1958 it came down to 1·3 per cent. In the case of industrially advanced countries, their share in world trade has increased while an under-developed country like India finds that its share has decreased. We have to face competitors in the world market and as I said, I do not think we will be able to meet our foreign exchange needs merely by exports alone. So, more efforts should be made to produce the raw materials which are necessary for our industries and other developmental activities. Unless that is done, we will find that more and more import controls have to be exercised and

thereby we will be finding difficulties in our developmental activities. If we are to avoid that our main attempt must be to produce more and more raw materials that are necessary.

Another factor that I wish to point out is the price factor, what I mean is, the prices of articles produced by our industries. It is an admitted fact that the goods that are manufactured in India are valued much higher than those in other countries. In spite of the fact that labour is considerably cheap here, this fact remains. It is high time we gave thought to this aspect. Whether it be for internal consumption or for export, we have to face competition from other countries and it is high time we fixed the prices in consonance with world prices. Cost accountancy has been introduced, but still there is not much improvement. I would submit that some method should be devised by which the productivity of each person employed in a particular enterprise could be measured. In several of our enterprises production per man-day is lower when compared to that in other countries. This is a defect which has to be eradicated. Now we have reached a stage in our industrial development when it is necessary for us to assess the production per man-day in the industry. This must be increased, and then only we will be able to lower the prices. It cannot be said that our workmen or our engineers are not competent enough to bring about this result.

I may refer to the activities of the Hindustan Machine Tools Factory, Bangalore. It is gratifying to note that the products there are valued, though not less, at least equal to the products of other countries like America and other European countries. Not only that, that factory has overstepped the production targets fixed for it. So if this aspect is given the importance which it deserves in the public sector, my submission is that the private sector also will follow suit. I may also appeal to the trade unions and labour leaders to give some importance to this aspect also.

Now, Sir, I desire to take up the question of the plantation industry. Here I may only specifically mention rubber. Tea has been referred to here. Rubber is a commodity which we need very much for our industrial activities. The consumption of rubber has increased considerably. In 1956 it was 29,460 tons. In 1960 it has increased to 45,941 tons. In 1956 we were importing 6,566 tons of rubber, whereas in 1960 we have imported 22,949 tons. Sir, with the fast developing rubber manufacturing industry the necessity for more and more rubber is obvious. The cost of rubber that was imported in 1960 is assessed to be about Rs. 10·5 crores. Over and above saving foreign exchange, it has got a very great employment potential also.

There is a scheme with the Government to produce synthetic rubber. I have no objection to that, but I may submit that the production of synthetic rubber will not meet our requirements of rubber.

There is a proposal before the Government for encouraging small holders. That is welcome. But I may also submit that large growers also have to be encouraged. The cost of planting one acre of rubber is about Rs. 2,000 to Rs. 2,500. They must be provided funds by loans. We find that foreigners are the main pioneers in this field in our country and after independence they are not at all interested in investing any further capital here. As far as Indian planters are concerned they are lacking in funds.

Kerala is the main rubber producing area in the country. The commercial banks there are not in a position to help these planters, the main reason being the policy of the Reserve Bank. So the only alternative is Government aid. Rubber tree gives yield only seven or eight years after planting. So I suggest that some loan should be given to the rubber planters for replanting as also for new planting. For replanting, of course, there is a subsidy scheme. I suggest that for new planting loans should be given. It need not be given

[Shri Maniyangadan]

in a slump sum, it need be given during the course of seven years in instalments and from the eighth year onways it could be realised.

In this connection, I may suggest the establishment of a Plantation Finance Corporation or something of that sort just on the lines of the Industrial Finance Corporation. Plantations should be considered on a par with other industries, and funds should be made available to this corporation through the Reserve Bank and the State Bank. In Malaya there is a Rubber Finance Board. With regard to coffee also the same thing should be done. My submission is, with regard to these plantations they must be considered equal in importance with other industries not only from the point of view as foreign exchange earners but also as commodities which save foreign exchange for our industries. As I submitted earlier, if we are not able to earn more and more foreign exchange—by earning foreign exchange I mean the necessity for foreign exchange expenditure being decreased considerably—we would not be able to develop our industries.

Then, I may be permitted to speak a few words about the State of Kerala from which I come. Sir, it is the declared policy of the Government that regional balance should be maintained in the matter of development. This was declared in the First and the Second Plans and in the Draft Outline of the Third Plan also this has been declared. Now, in Kerala, nearly 20 per cent of the population depend on production other than cultivation and they contribute only about 10·2 per cent of the State income, whereas the all-India figures are that 10 per cent of the population depend on production other than cultivation and they contribute 18·6 per cent of the national income. Again, out of the total regional income of the State only 3·6 per cent is contributed by factory industries against the all-India figure of 8·6 per cent. This is an indication of the industrial backwardness of the State. We are proud of the achievements we have made during the last two Plans. We are proud of Rourkela, Bhilai and other things. We are proud of the fertiliser factories and so many other things. But when we go beyond the Western Ghats we find that there is nothing. This matter has to be looked into. I may submit, Sir, that the people of that State are feeling a sense of frustration and this should not be allowed to continue.

A reference was made to the heavy electrical equipment factory. A committee has been appointed for this purpose. I do not know what their report is. The hon. Member from Andhra said that it should be located in Andhra. An hon. Member from Madras claims that it must go to Madras. Shri V. P. Nayar mentioned yesterday that it should go to Kerala. What I submit is, having regard to the industrial backwardness of Kerala, due importance should be given in the matter of establishing heavy industries there. The industrial backwardness is due to the absence of heavy industries in that State. The dearth of heavy industries, including engineering industries, in the State is keenly felt and it should be removed for setting up a proper base for the industrial development of the State. Once heavy industries are started, light industries will automatically come up, thus increasing the overall industrial employment and production. One of the main points here is the lack of raw materials like oil, iron etc. Only a geological survey of the State can show its potentialities. Whatever that may be, my submission is that the lack of raw materials should not be the reason for denying heavy industries to a particular area. Apart from raw materials, the availability of cheap electric power, man power and other similar factors should also be taken into consideration. It is a mistake to think that industries could be started only in those regions where raw materials are available. The declared policy of

the Government that regional disparities should be removed must always be kept in mind. It is in this context that we have to look into the question of the establishment of the heavy electrical factory at Kerala. My information is that the Government of Kerala have satisfied the committee . ..

Mr. Chairman: The hon. Member is exceeding his time-limit.

Shri Maniyangadan: As the first bell was rung just now, I thought I will have two minutes.

Mr. Chairman: More than two minutes have passed after my first bell.

Shri Maniyangadan: I wil finish in a minute.

I was referring to the establishment of the heavy electrical factory in Kerala. My information is that the State Government has satisfied the committee in all respects that Kerala is an ideal place for the establishment of that factory. If that is denied to that State, it would be a clear case of injustice and people of that State will be feeling that injustice has been done to them, which will lead to furstration.

Then, the Planning Board of Kerala State has demanded that Rs. 100 crores should be allotted to that State during the Third Plan in the public sector. I submit that it is a modest figure and it should be agreed to. With regard to the private sector industries, in the matter of issuing licences, the licensing authorities and the Government should see that regional disparities are avoided. For that purpose some incentives should be given to people to start industries in regions where industries are lacking, by issuing licenoes in such cases.

सुश्री मणिबेन पटेल (आनन्द) : चेअरमैन साहब, पब्लिक सैक्टर का जो हमारा उद्योग है उस को बिजिनेस ढंग से चलना चाहिये । प्राइवेट सैक्टर जो कुछ आज प्रचार करता है वह प्रचार उस का चलेगा नहीं अगर हमारे प्राइवेट सेक्टर का काम भी ठीक बिजिनेस के ढंग से चलेगा और वह हमेशा मुनाफा करता रहेगा ।

छोटे मोटे उद्योग जो हमारे यहां चल सकते हैं और हमारे लोग चला सकते हैं उन में, मेरी राय में, विदेशियों को कभी लाइसेंस नहीं मिलना चाहिये । उन को यहां चीजें बनाने की इजाजत नहीं देनी चाहिये । विदेशी कम्पनियां यहां जो उद्योग स्थापित करती हैं उन में जो मुनाफा होता है, जो काम होता है, उस का अधिकतर पैसा बाहर ही तो जायेगा । अगर इस खयाल से सोचा जाये तो भी उन को हमारे यहां उद्योग नहीं चलाने देना चाहिये । विदेशी कम्पनियों के बारे में आज कल सरकार की नीति क्या है, यह मेरी समझ में नहीं आता । इस नीति से विदेशियों को भी कुछ धोखा लगता है, ऐसा मुझे लगता है । पहले तो हमारी नीति यह थी कि अगर यहां विदेशी कम्पनियों के साथ कोई कोलेबोरेशन होता है तो उस में ५१ परसेंट हिस्सा हमारा रहना चाहिये । आज कल इस में कुछ फर्क है ऐसा मुझे लगता है । विदेशी कम्पनियों के पास काफी रिसोर्सेज रहते हैं, उन की प्रोडक्ट्स के नाम भी काफी मशहूर हैं । कई सालों से वे चलती रही हैं। साथ ही उन के ऐडवर्टाइजमेंट में भी हमारे नये उद्योग उन के साथ कम्पीटीशन नहीं कर सकते हैं । उन के पास और भी कई तरकीबें होती हैं । यहां पर विदेशी कम्पनियां हमारे रिटायर्ड आफिसर्स को रखती हैं, और उन का काम क्या रहता है ? उन का डेजिग्नेशन रहता है पब्लिक रिलेशन्स आफिसर, लेकिन उनका काम क्या है ? अफसरों को खिलाना, चाय पिलाना, पार्टियों से मिलना और जो उन का काम है वह एक टेबल से दूसरी टेबल पर जल्दी से चला जाये, यह देखना है। साथ ही हमारी कम्पनी जो उन के सामने खड़ी है उस के कार्य को किस तरह से रोका जाये, यह देखना भी

[सुश्री मणिबेन पटेल]

उनका काम है । इसीलिये मेरा कहना यह है कि विदेशी कम्पनियों को यहां जब तक इस प्रकार की सहूलियतें मिलेंगी तब तक हमें अपने उद्योग चलाने में बहुत कठिनाई होगी । मैं कोई सुनी सुनाई बात नहीं कहती । जिन लोगों को अनुभव हुआ है और जिन्होंने यह सब देखा है कि किस तरह से खास तौर पर रूकावटें हुआ करती हैं, सीधे उन लोगों के मुंह से ही सुना है और उस के अनुभव की बात कहती हूं । आप उन की किस तरह से रोक टोक कर सकते हैं, यह मेरी समझ में नहीं आता । विदेशी कम्पनियां हमारे यहां के रिटायर्ड आफिसर्स के लड़कों को, उन के रिश्तेदारों को रख लेती हैं और इस तरह से भी अपना काम निकालने की कोशिश करती है । हमारे यहां के लोग इस तरह से रिटायर्ड आफिसर्स को नहीं रख सकते हैं । छोटे उद्योग वाले तो बिल्कुल ही नहीं रख सकते क्योंकि उन के पास रिसोर्सेज नहीं है । सहकारी संस्थायें तो उन को इस तरह रख ही नहीं सकती ।

हमारे लोग जब लाइसेंस के लिये आते है तो आप के यहां के लोग फार्म में गलती निकाल देते है । जब उन से कहते है कि क्या गलती है बतलाइये , तो जवाब मिलता है कि हम आप के इन्फार्मेशन आफिसर नहीं हैं । अगर वह उन के इन्फार्मेशन आफिसर नहीं हैं तो फिर फार्म सरल देना चाहिये, जिस में किसी प्रकार की शिकायत न हो । दूसरी बात यह है कि फार्म पर जब दरख्वास्त दी जाती है तो उस का फैसला होने में साल साल, दो दो साल लग जाते हैं । जिन परिस्थितियों में ऐप्लिकेशन दी जाती है वह परिस्थितियां साल या दो साल बाद बदल जाती हैं । उसके बाद उन लोगों से कहा जाता है कि ऐसे नहीं चलेगा । फिर इस में ६ या ८ महीने निकल जायगे । इसलिये मेरी बिनती है कि आप को इस तरह की व्यवस्था करना चाहिये जिस में लाइसेंस मिलने में इतनी देर न लगा करे । अगर कोई चिट्ठी आप की मिनिस्ट्री में आये तो १५ दिन के अन्दर उस का जवाब चला जाना चाहिये । मात्र ऐकनालेजमेंट ही नहीं जाना चाहिये, बल्कि ठीक ढंग से जवाब दिया जाये कि ऐप्लिकेशन देने वाले को क्या करना है और क्या नहीं करना है । तभी काम हो सकता है । हमारे आदमियों को कभी-कभी आप के यहां से जवाब मिलने में और लाइसेंस मिलने में बड़ी देर लगती है और उस की आशा में वह धीरज खो बैठते हैं और हिम्मत भी हार जाते हैं । कितने आदमी इस तरह से कितनी देर तक राह देख सकेंगे और किसी के पास इतने रिसोर्सेज हो सकते हैं जो कि इन्तजार करें कि आज मिलेगा, कल मिलेगा या परसों मिलेगा । मैंने बड़े बड़े आदमियों के सम्बन्ध में इस तरह से देखा है, जिस के पास रिसोर्सेज होते हैं, तो फिर मामूली आदमी के लिये क्या कहूं ? जो अच्छी पोजीशन हैं में उन को भी यही अनुभव हो रहा है, तब फिर मामूली आदमी को कितनी तकलीफ होगी ? इसलिये मेरी बिनती है कि इस के बारे में भी कोई रास्ता निकाला जाये ।

अगर कोई आदमी आप के पास सीधे पहुंच जाता है, जान पहचान की वजह से या किसी और तरह से, तो जिन के पास लाइसेंस देने का अधिकार होता है वे आफिसर्स नाराज होते हैं और उन को और भी ज्यादा देर करते हैं । कहते हैं कि अगर तुम वहां पहुंचे तो वहीं से लो जा कर, अगर ले सकते हो तो । इस लिये मैं चाहती हूं कि आप इस तरह से काम करें कि सब का काम जल्दी हो जिस में कि उद्योग जल्दी से शुरू हो सकें और देश में उद्योगों के बढ़ने से गरीबी दूर हो और जो विकास का काम होना है वह जल्दी से हो सके । मैं आप को एक मिसाल देना चाहती हूं । हमारे यहां अमूल बटर चल रहा है । वह अमूल बटर किस तरह से चला ? जब अमूल बटर निकला तो आपने विदेश से मक्खन आना बन्द कर दिया तभी तो वह चल सका और अब सब

लोग कबूल करते हैं, विदेशी भी कबूल करते हैं कि वह बटर इतना अच्छा है कि जो बटर विदेशो से आता है उस से किसी तरह से कम नहीं है। कम ही नहीं, उस से भी अधिक अच्छा होगा। अब उस का बेबी फूड निकला है। वह बेबी फूड किस तरह से चलेगा अगर आप विदेशी लोगो को बेबी फूड बनाने देंगे ? और उस के बनाने में बाहर से पाउडर लगाने देंगे। अभी अखबार में निकला है पाउडर का बाहर से आना काफी कम कर दिया गया है। लेकिन जो उस से बेबी फूड बनाते हैं अच्छे ढंग से उन को तो आप ने कम किया ही नहीं, यह मेरी समझ में नहीं आता। जब आप उन को बाहर से पाउडर ले कर बेबी फूड बनाने देंगे तो फिर अमूल बेबी फूड जो है वह चल नहीं सकेगा। इसलिए मेरा यह कहना है कि जो जो इंडस्ट्रीज यहां बनें उनको ठीक तरह से आपको खड़ा रखना होगा, और वे चलें ऐसा चाहते हो तो जो दूसरी इंडस्ट्रीज विदेशों की हों उनके कम्पेरीजन में इन इंडस्ट्रीज को सहायता देनी चाहिए। आपने पाउडर का इम्पोर्ट कम कर दिया लेकिन जब तक एक्चुअल यूजर्स कोटा कम नहीं करेंगे तब तक हमारी इंडस्ट्री कैसे चल सकेगी।

16 hrs.

हमारी तो नीति है कि सहकारी सोसाइटीज को प्रोत्साहन दिय जाये और सहकारी सोसाइटीज जितनी बढ़ सकती हैं उनको इतना बढ़ाया जाये। लेकिन जैसा आप कर रहे हो इस तरह करोगे तो सहकारी सोसाइटियां कैसे बढ़ेंगी। इसके बारे में मैं आपको कुछ उदाहरण देना चाहती हूं। १३ साल पहले यह सहकारी सोसाइटी शुरू हुई थी। यह पहले देहात की दो साइटीज से शुरू हुई थी। उस जमाने में तो खाली २०० मेम्बर थे और ५०० पाउंड दूध आता था। आज २०५ देहात की सोसाइटियां इन्होंने बनायी हैं, और इसमें करीब ४५ हजार मेम्बर हैं और रोज ४२,००० रुपये किसानों को कैश बांटते हैं चाहे उनका दो सेर दूध हो, पांच सेर हो, या दस सेर हो। जितना उनका दूध आता है उसका उनको कैश पैसा चुकाया जाता है। और जो इसका बटर आपने चलने दिया इससे हर साल एक करोड़ रुपया फारिन एक्सचेंज का बच जाता है। उसका १९६०-६१ का काम आपको खयाल दिलाऊं। ५४ लाख का वहां मक्खन बना, २१ लाख का मिल्क पाउडर बना, दस लाख का घी बना, तीन लाख का स्वीट कंडेंस्ड मिल्क बना और दो लाख की मिसलेनियस चीजें बनीं। और अब वह बेबी फूड बनाना चाहती है। यह बेबी फूड चले और वह ठीक तरह से खड़ा रहे इसको देखने के लिए आपको जितना हो सके उतना करना चाहिए, ऐसा मुझे लगता है। विदेशी पावरफुल कम्पनियां, ग्लेक्सो और आस्टर मिल्क के नाम से अलग अलग नाम से बेबी फूड मारकेट में लाती हैं और पीछे हमारे अमुल को मारने का प्रयत्न करती हैं, पर मैं मानती हूं कि बिजनेस में ऐसा होता है। उनको यह बुरा भी लगता है कि हम वहां तक पहुंच रहे हैं। लेकिन आपकी तो नीति है अपने देश के लोगों और खास करके सहकारी सोसाइटियों को आगे बढ़ाने की। इसलिए मेरी विनती है कि इसके बारे में आप खास ध्यान देंगे और जितना एक्चुअल यजर्स कोटा आप काट सकें उतना आपको काटना चाहिए।

सीमेंट की देहात में काफी तकलीफ रहती है। शहरों के अन्दर कम से कम बड़े लोग तो पहुंच जाते हैं, उनके पास तरकीबें रहती हैं, उनको मालूम रहता है कि किस तरह से लिया जा सकता है, वह किसी न किसी तरह से सीमेंट और लोहा जमा कर सकते हैं, परन्तु देहात में ऐसा नहीं हो सकता। इसलिए मेरी विनती है कि देहात के लोगों को और शहरो में भी छोटे लोगों को सीमेंट मिल जाये इसका रास्ता निकालना चाहिए। आप कहेंगे कि हम तो स्टेटों को कोटा दे देते हैं, वितरण करना उनका काम है। यह काफी नहीं है ऐसा मुझे लगता है। आखिर स्टेट और सट्रल

[सुश्री मणिबेन पटेल]

गवर्नमेंट कोई अलग-अलग चीज तो नहीं है यह तो हम ने अपने सुभीते के लिए अलग-अलग व्यवस्था कर रखी है । यह ठीक है । परन्तु देहातों में और शहरों में छोटे आदमियों को भी सीमेंट और लोहा मिले यह देखना चाहिए ।

इसी तरह से खाद के बारे में भी शिकायत आती है । सिन्दरी का जो खाद है वह किसानों को मौसम आने पर नहीं पहुंचता और बीच में बड़े-बड़े काम वाले ले जाते हैं । उसका पता नहीं लगता । इसलिए मेरी विनती है कि उसके बारे में भी आप सोचें और जितनी जल्दी ज्यादा खाद की फैक्टरियां बन सकें उसके लिए यत्न करना चाहिए ।

इसी तरह से शूगर के बारे में सोचने की जरूरत है ; काफी हमारे यहां शूगर बन रही है और बनेगी और वह अगर बिकेगी नहीं तो अगले साल हमारे चीनी के कारखाने बन्द हो जायेंगे ऐसा मुझे लगता है । मैं ने सुना है कि सारे हिन्दुस्तान में दो फैक्टरियां है जिनको अधिक दाम दिया जाता है । उनकी प्राइस सबसे अधिक नक्की की जाती है । इसका क्या कारण है यह जरूर देखना चाहिए । अगर यह आपका काम न हो और फूड मिनिस्ट्री का हो तो उनसे मिल कर आप दोनों को सोचना चाहिए कि सका क्या कारण है । सबको समान न्याय मिलना चाहिए ।

मुझे जो मौका दिया गया उसके लिए धन्यवाद ।

Shri Balasaheb Patil (Miraj): **Mr. Chairman, Sir, it has been stated in the report and summary of the Commerce and Industry Ministry that there was buoyant activity in all the fields of economic growth. At the same time in the first page of the Summary it is said:**

> **"There are, however, some industries which did not participate in this buoyant trend. Cloth and yarn just maintained the previous year's level of production, and the increase in the prices of cotton textiles caused concern."**

There was a spurt in the prices of cotton textiles and the Ministry thought it fit to appoint a Working Group for the Cotton Textile Industry. Just now, one of the businessmen in that industry, who was also a member of the Working Group, spoke. But he did not make any mention about the prices of cotton textiles. One of the many recommendations made by the Group, I understand, is the modernisation and replacement of machinery, to be brought from foreign countries. It has been suggested that the industry may be given a loan of Rs. 100 crores from one of the Corporations.

[MR. DEPUTY-SPEAKER *in the Chair*]

Now, Sir, it has been admitted that this industry did not take part in the buoyant activity seen in the case of certain other industries. The textile industry has earned a lot of profit during the last several years. When the Working Group to go into the question of modernisation and rehabilitation of the textile machinery was appointed, I thought that the Group would go into the question of holdings of businessmen and the profits that they are earning, at least from the books that they are maintaining for purposes of income tax and sales tax.

Shri V. P. Nayar: They maintain more than one book.

Shri Balasaheb Patil: It is enough if they are calculated from the books presented by them to the income-tax officers. That will show that many crores earned by the textile businessmen are lying idle and they are investing it in certain other industries,

which will bring them more profits. In view of this there is no need for them to take a loan of Rs. 100 crores. Government should take a film line and tell this industry that modernisation of the plants should be done at its own cost. At the same time, modernisation should be effected in such a way that, there is no retrenchment of workers and there is no fall in production. It should also be seen that prices do not go up as a result of modernisation. There are enough powers in the hands of Government to bring this about. But they are not using them. And that is why there is concentration of economic power in the hands of certain business firms. In justification of this it is stated that these firms provide the capital and undertake risks. Under these circumstances there is some sort of possibility of getting a large amount. But my submission at this stage is that while there may not be a limit to the making of profits, there cannot be an unlimited scope for the accumulation of profits. Government should take certain steps to see that this accumulation is not concentrated in a few hands or that it is put to use to foster new industries or that the benefits from this concentration go to the people at large. This has not been done, and it is one of the failures of this Ministry during the last ten years.

So many hon. Members have attacked the policy about foreign trade. We have also been reading for the last four years that it has been decreasing and that there is a gap of nearly three to four hundred crores of rupees. We are saying that much foreign exchange is required for setting up new industries. There is industrialisation. We have been searching in the various reports, in the reports of the Estimates Committee, in the reports of the Ministry and other reports as to why this trend is going on for the last four years. I expected the hon. Minister and the other friends who are in the business line and who preceded me, to throw some light as to why this trend is going on and why the trade is decreasing for the past four years whether it is due to the competition in the world market that there is no place for Indian goods outside, or whether the quality of the Indian goods is not good, or whether the inherent defect is in its manufacture that it cannot be sold out. These things must be investigated thoroughly by the Ministry as to why this trend has been going on for the last four or five years, and some explanation must be offered to us so that we may also thing about these things and make our suggestions to the Ministry. Of course, it is not given to a layman to offer advice to the Commerce and Industry Ministry which is a most complicated and technical kind of Ministry. At the same time we can try to help them.

One distressing feature is, while we speak of getting foreign exchange and sending some goods to the foreign markets, there is a tendency on the part of the producers to demand from the Government a price rise. I will quote some of the instances in that respect. Only day before yesterday there was a meeting of the Indian Sugar Mills Association and its President has stated that there is a qunantity of nearly 9 lakh tons of sugar which can be exported. At the same he said that there is a possibility of their incurring a loss if they export this sugar and therefore he has urged that the price of sugar must be increased for internal consumption. This is one of the examples.

And then I read in the Estimates Committee report something about the Coffee Board. It has been stated there that the sale of the plantation coffee in the foreign markets is decreasing and therefore the Coffee Board has suggested that there could be some increase in the price for the internal consumption, so that they could cover up the losses in the foreign trade.

If these things are going on in this manner, my submission will be that it is no use talking of having development here at the cost of the poor

[Shri Balasahib Patil]

tax-payers. Let us thing for a few moments and see why it is happening like this.

Not only this. In regard to cement also, the Estimates Committee have stated something about the prices of cement. There the State Trading Corporation is having the trade, the distribution of cement etc. and they have inflated or increased the costs. That is why the actual price for the consumer is much more than the ex-factory price. The Estimates Committee has stated that there is no justification for it. Equally interesting is the feature of increasing of prices by the STC. The STC has earned a huge surplus on cement due to the inflation of the various elements of costs included in the price. The Estimates Committee has made various recommendations in this respect, and I hope that Government will seriously look into the matter and see why this sort of thing has been allowed for nearly four years or more. And what is more, cement is not available in the open market for the consumer. Of course, in the so-called blackmarket, large quantities are available. We laymen cannot understand the phenomenon working behind it, whether it is because of the system of giving quotas to the States or it is because of the system of distribution that the prices are going up for the consumer, or whether it is because more and more mills and factories are coming up. Especially, in the State of Maharashtra, there is enormous buying activity going on on the part of the sugar mills. 17 new co-operative sugar factories have come into existence since last year, and many more persons are forming themselves into co-operative sugar factories, and are applying to Government for registration.

The position in regard to ammonium sulphate and other fertilisers is that they are not available in adequate quantities. The Report of the Estimates Committee on Sindri Fertilisers and Chemicals is a shocking one. There is a failure in every respect. To quote only a few of their observations, there is a constant decrease in production, the rated capacity is not fully used, no prompt and diligent attention has been given to the working of gas generators, there is a faulty expansion scheme from the very beginning, there are surplus supervisory staff and there is also most negligent accounting of the materials and the actuals. In every respect, you will find from the Report of the Estimates Committee, that things are not going on well in this public enterprise. If things are going on in this way, and at a time when we need more fertilisers, and at a time when the prices also are not very cheap, then it reflects a bad state of affairs. After all, the representatives of this Ministry were also there to give evidence before the Estimates Committee, and the Ministry was not in a position to answer the questions put to them clearly and properly. This is a shocking state of affairs. And yet, we are thinking of having more fertiliser factories in Nangal, Cambay and in Orissa or other places. If things go on in this fashion, then we have to think over the matter once again as to whether we can invest money to this extent in these public enterprises in the future. Are we not entitled to have a proper checking and proper accounting from the persons who are responsible for the running of these enterprises? Are not Government responsible to the people for them? If they are not, then it is no use going on with these public enterprises. Let them be given over to the private sector. This Ministry has favoured so many other private enterprises and given permission to them in many fields. So, there would be nothing wrong if such a step is taken.

I have heard, for instance—though I cannot quote any authority in this behalf—that in Maharashtra, whatever remains of the sugarcane after the sugar is taken out of it, namely the molasses—were to be sent out to the foreign countries. But I have come to know from unofficial sources

that the factories have not been allowed to do so, but instead they have been forced by this Ministry and the other Ministry that is concerned, to let the molasses run into the rivers, with the result that the water is not worth drinking nowadays. There were applications made for the getting of licences for distilling these molasses into spirit, but the applications of these co-operative factories have been turned down. On the contrary, I have heard that some businesmen from Bombay has been given to the licence to erect a factory in Maharashtra. This is wonderful way in which the scheme is being worked. There are so many other instances of this nature.

So far as the small-scale industries are concerned, the pattern envisaged in the Second Plan is that there should be a group of villages, and those villages will start the small-scale industries, so that the material will be available to the people nearby and more and more people will be benefited especially in the rural areas; then, they may be tacked on to a large centre, and then, ultimately they may go to the big towns. But I find that in the 5 years or 4 years of the Second Plan that the small scale industries are springing up around the big large-scale industries which are gathering in cities. The so-called estates like the Okhla Estate, the industrial estates, neary 97 of them were contemplated in the Second Plan. Out of that only 20 were given to the rural places. I was surprised to read this morning that only one is functioning within 5 years. This is what you are doing for the rural classes, which is more so far as the population is concerned.

Therefore, my first submission will be that if you want to increase the small-scale industries, if you want to give the benefit of it to the people, take these industries to the people and not the pople to the industries. And, this can be done by decentralisation. Instead of doing that you are creating so many institutions like the N.D.C. and spending money on them; you are creating so many institutions like the Export Promotion Council and all that. It goes into pages. The Estimates Committee has suggested that there should not be so many councils to give advice to the Government. There is a suggestion also to put a check on this.

Furthermore, in this export promotion, there are certain emporia and exhibitions in foreign countries and it is shocking to read the audit reports about these, how money is spent without any justifiable reason and so on. Yet Government is going on with these things and the expenditure is increasing.

One more point. In the Khadi and Villages Industries, there is one scheme which is called the swavalamban scheme. That is those who spin themselves, without giving the yarn to the weaver they get a rebate. When it is given to the weaver there is 75 per cent rebate on that and he has to pay only 25 per cent. In the swavalamban scheme what we find is this. The cooperative societies get the government rebate and the subsidy and 12 per cent. That is how these are benefited. But there are so many centres of this Khadi Board in which false accounts and false books are kept. A person takes yarn from somewhere, gives it to the society and the society's people report to the society and the society manufactures the goods and the Government pays the subsidy. This is what is going on. A suggestion has been given from all quarters that this scheme should be scrapped altogether. It has been defective from the beginning and it gives benefit only to the thieves. This Ministry should think over this and all such schemes. This rebate system, though it is very good in the initial stages, should not be continued for ages together. In the name of giving more employment to the people what are you doing? It is the tax-payer who has to pay the money and that goes to some organisation and the organisation gives contracts to some contractors and the benefit goes only to a few persons. The poor people, the real people, are not benefitd by

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this rebate system. So, the Ministry should think over this too. This is all I want to urge on the Government.

Shri Manubhai Shah: Mr. Deputy-Speaker, Sir, I am really extremely gateful to the House for the almost unanimous complaints. Excepting my hon. friend, who spoke in Tamil—and I could not understand whether he was complimenting the Ministry or otherwise—the rest of the Members whom I heard were full of compliments for the working of this Ministry in the last year. We are all very grateful to them for this compliment that they have showered. But I would also like to place before them some more basic facts in order that appreciation which they have conveyed in general terms could be better understood both by this august House and the country in general. Very few realise; even those of us like myself and my colleagues who are so much engrossed in the work of this Ministry and the development of trade and industry in this country some times hardly realise the fast pace of development that this country has launched upon and is actually achieving from year to year. When I speak of the industrial development of this country, I would first like to place before the House the progress made in the large scale industry in the last five years. The House will be pleased to know that 477 industrial licences were issued in 1956 and they rose almost to 1912 in 1960. As I see the figures before me from year to year, the industries, both substantial expansion and new, coming up in our country are going up not in arithemetical progression but more or less in goemetrical progression and sometimes I shudder to think whether in future, as time goes by, we shall be able to maintain this tempo of development which claims almost 2000 industries in 1960. Sir, I would also like to urge here that it is not merely the gross product which is going up. We have circulated, as is the practice with our Ministry from year to year, a paper which goes into the detail in every industry, and the industrial production from year to year is given in terms of the standard value of 1957. Here I would like to draw the attention of the House that in these industrial licences which I mentioned, very large number of new units, entirely new and outside the traditional industrial holders and the industrial entrepreneurs and new articles are almost abounding. In the year 1956, if I may say so, 267 new units with 111 new articles were licensed and in 1960 the licences for new units and new articles rose to 1090. Out of these, new units were 594 and new articles were 496. I want to emphasise this aspect because it is hardly realised that we are completely changing the pattern of this country's industrial economy from the one of the colonial type which we inherited at the time of Independence to one of the most modern and technologically progressive type that we are launching upon from Plan to Plan. This is a feature which many of my hon. friends who are conversant with the industry do realise and appreciate but many other hon. Members and the general population in the country hardly come to know what actually is the technological progress in this country. I can say with all humility that in the last five years and in the coming years as I see, what we have covered is practically every branch of science and modern technology and any country can certainly be proud of it. I can humbly suggest that we can make a comparison with even the East European countries and of course with the undeveloped countries of Africa and Asia; our record is really a very brilliant one. Even though I may not say what the Prime Minister said the other day that the progress is not only remarkable but electrifying, it is certainly something which puts great faith and confidence in all of us who are working for this and the great entrepreneurship class of this country and also the people of this country who are blessing this type of activity from day to day. I will give you only a few examples to show how qualititatively we are progressing today.

Before a few years, five or six years, let us say, there was hardly any component of the radio industry or the major automobile industry or of the industrial machinery or of the various types of basic chemicals manufactured in this country. As a matter of fact we were the net importer of the producer goods and imported a major quantity of producer goods and the basic raw materials. Today what is the position in these basic fields? It is the order of this House and also the wish of this House which the various hon. Members have made konwn from time to time that we should give the highest priority to where it deserved and I can assure that the Government and this Ministry have been very careful to see that these priorities are properly maintained. As a matter of fact, in the industrial production of this year, which is 13 to 14 per cent higher than last year and which is equivalent to the total of any three years since Independence, in percentage and in magnitude, we have registered the highest progress in machine-tools and industrial machinery. That is as it ought to be, because these are the mother industries, industries which generate in their turn the secondary and tertiary industries and develop the consumer industries. As I have been saying from many platforms, the slogan that is going to be there in the third Plan is, "Build machines; build India". It is only through the building of machinery and plant and equipment and all the components of the producer goods of those basic machinery that we can really make this country great. I do not know what to call it—you may call it the take-off stage which, I do not think, is a correct description for it may take a decade or more to reach that stage. Or you may call it a stage of self-reliant economy. But what I would say is, it is a massive industrialisation programme that we have launched upon and which we seek to achieve through the production of industrial machinery and capital goods.

The House will be glad to see from the pamphlet that last year, from almost Rs. 30 crores or less before the last five years, we had registered a production of more than Rs. 160 crores of industrial machinery and electrical equipment in all the basic fields. Of course, this is the beginning of a very difficult stage. If the Hon'able Members see the outlay in the third Plan and our target in the third Plan, both in the private and the public sector industries, they will realise that we seek to produce annually more than Rs. 500 crores of machinery and electrical equipment by the end of the third Plan. This would be a very major achievement, and if this is realised.—I hope that it will be realised—we shall be launching upon a very massive programme of industrialisation on a more widespread basis.

Many hon. Members rightly drew the attention of the House to many other aspects such as chemicals and raw materials. My hon. friend from Kerala who spoke last referred to them and my hon. friend Shri Harish Chandra Mathur referred to them yesterday. They drew attention also to the component industries. I can also draw their attention to this pamphlet which gives a volumetric comparison of the production from year to year of the intermediate industries and the producer goods industries because no country can ever industrialise if it is continually to depend upon the import of components and basic raw materials. That has been the fundamental aim in the second Plan, and in the third Plan, which we can call the heavy industries-based plan, that is our fundamental aim: namely, to produce more steel, more nonferrous metals, more of industrial components, more of heavy chemicals and more of fertilisers and other basic materials which are required for all the sectors of the economy.

When we compare the percentage of 13 or 14 with what was obtaining in the previous years, I would also like to add my voice to what the Governor of the Reserve Bank said, namely,

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that the qualitative examination of the entire programme of India will be a revealing document and will be a very rewarding one to any hon. Member or any of the economists if he undertakes, to study it, or at least to some of us who have continuously to do with that type of nanalysis, It will show that the production as registered in 1960 will be quite different in 1963 because those large number of new units, which have been licensed for new products and put in the list of industrial enterprises in the year 1959-60 are going to materialise and take shape and yield very proper and fruitful results to the community somewhere in 1963. Therefore, I would say that the last year of the second Plan, as far as the industrial development programme is concerned, has been of such fundamental and vital importance to the country that within two years we shall see the fruits of these various units both in the public and the private sector that we have undertaken and which are all going apace.

There are certain erroneous impressions about the delay taking place in industrial licensing. It is true that nobody is aware of the exact position; and some hon. Members said that the delays are enormous. But I can tell the House, for a comparative evaluation, that we received 2,300 applications in 1960 against which the industrial licences issued numbered 1,912. That merely gives an indication as to how much is the acceptability at the hands of the Government. Only less than 400 cases were rather deferred or in some cases rejected and that was done mostly from the point of view of capacity, non-availability of foreign exchange, or sometimes, of low priority which today, in the very difficult situation of the national resources, the nation cannot afford to launch upon. It is true that there may be some gaps, that there are some underhand dealings; may be there is something done in a vast country, a country which is grappling with the problem of building up a national character, with the problem of social objectives and more than one diverse pattern of thoughts going on in the country, I can assure the House that if there is any hon. Member or anybody in the public who receives a complaint that a licence has been refused only because somebody else has been preferred or somebody else has interfered, as Sushri Maniben Patel and some other hon. Members stated here, I can assure him of our personal examination at all levels irrespective of the position that the officer or anybody occupies and we shall see to it that no such injustice is tolerated.

Let me give the example of the Kunzru Committee, which is the reviewing committee under the Industries (Development and Regulation) Act. It is a committee of which Shri Kunzru is the Chairman and there are six other industrialists and public representatives on that committee. In every case of industrlial application for licence, whether rejected or accepted, if the gentleman feels aggrieved, he can go on appeal to this committee whenever he feels he has a point of view to make. I would request hon. Members to go into the minutes of the meetings of this reviewing committee to find out to what extent justice is being meted out and to what extent injustice is being done. In the whole of 1959, there were only a few cases in which this committee drew the attention of the Ministry to reverse or relax its decision. Many industrialists know it. Those hon. Members who might not have information about it can ask any entrepreneur go on appeal and I am sure what I am saying will be mostly borne out.

The question remains about the general performance of different industries. Taking the different sectors of industrial economy, I can give some

comparative picture. Taking the public sector industries, it was very gratifying to hear two hon. Members remark the other day that the functioning of the public sector on the whole has been satisfactory. But my friends, Shri V. P. Nayar and Shri Bimal Ghose, and some others had a different story to tell. Let them go through the annual balance sheets.

Shri Bimal Ghose (Barrackpore): I am always appreciative of what the public sector has done. But what has been stated in the explanatory memorandum requires justification or refusal, so that we may know what is the truth.

Shri V. P. Nayar: He is equally mistaken in my case. I never used a word against the public sector. If you have not listened to my speech, please read it.

Shri Manubhai Shah: Shri Bimal Ghose said that the public sector must be under one Minister, too many people are handling it, the functioning is not well, etc. I am saying whatever I remember of it. Perhaps the Hansard will bear me out; he might have forgotten the observations he made. I would like to point out that there are 47 companies and corporations under the public sector in this country. There are 18 statutory corporations and 15 departmental organisations like the ordnance factories and the Chittaranjan factory, which are working in the public sector. The public sector is now becoming so wide. I would draw the attention of the House to the Estimates Committee report. They have brought out a brochure compiling all the data on the public sector.

I want to tell the House the performance of the public sector. There is not a single concern which can be called a going concern, which is at all losing. Even the sick babies of the public sector till now—Nepa and the Nahan Foundry—which we inherited from past administration, thanks to the vigilance of this House, have shown profit in the last three years. As a matter of fact, I was reading this morning a letter from the Managing Director of Nepa and I was very heartened to see his observations that within two years, they have already paid, after meeting the depreciation and other charges, the losses of the first period, viz., Rs. 36 lakhs. He has said 'that in the next two years, we are trying to pay the interest free loan of Rs. 88 lakhs, out of the profits, after meeting the depreciation". It is true that this performance is not only due to the Managing Director and the control of the Ministry, but it is the goodwill of this House and the continuous vigilance and watch which hon. Members here have been exercising, which has made us alive to our rsponsibility to see that these public sector undertakings work well.

I will give you the example of the Hindustan Machine Tools. It is no use calling it again and again the *magnum opus*. This unit is trying to surpass the records established in the past. The unit has achieved a production which is five times more than what the House originally stipulated for it 400 machines per year was the target stipulated. In 1960 they have manufactured 1,000 machines. That means the production has gone up several times. Now they are going to expand and start a second unit at the complete financing by the Hindustan Machine Tools. Some hon. Members asked as to how the resources will come from the public sector. I may draw their attention to the fact that already this process has started. The production in the Hindustan Machine Tools has gone up from 400 machines to 1,000 machines. Now a second expansion unit is going to be financed from the reserves which are built in by the Hindustan Machine Tools. I also placed the information before the House a month back about a second factory in Punjab. That also is going to be wholly financed by the Hindustan Machine Tools out of its own reserves, out of its own profits and out of its own depreciation fund that it has accumulated. I am told, and on very good authority, that even a third factory which the Hindustan

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Machine Tools proposes to establish during the Third Plan period will partially be financed—not wholly because, after all, they are financing the expansion unit of the Hindustan Machine Tools and a second factory in the Punjab—by the Hindustan Machine Tools. So the third factory somewhere in India will also be financed from the reserves and depreciation fund built up by the Hindustan Machine Tools Factory.

16.42 hrs.

[MR. SPEAKER *in the Chair*]

The Hindustan Antibiotics has financed our Streptomycin project. It has today built up a reserve which we do not know how to utilise. Rs. 2½ crores is the total amount collected by the Hindustan Antibiotics, and we are trying to see that all life-saving drugs are produced in larger and larger quantities at Pimpri and other associated units of the Pimpri Factory by the finance provided by the Hindustan Antiobiotics.

Then there is the Hindustan Cables. The House remembers that before four or five years it was very difficult to expand the production of Hindustan Cables. But the progress made by the public sector in the last four or five years is such, as my hon. friend Dr. Subbarayan announced the other day in the House, that a second cable factory is now being established by the Hindustan Cables. As far as I can see, the whole financing of that second unit will be met from the reserves and earnings of the public sector.

This is how, Sir, Rs. 440 crores are going to be found. It is going to be found from depreciation, from reserves, from interest and various other types of returns which the public sector undertakings will earn for us including the 5 per cent, 7 per cent, 8 per cent and even 10 per cent dividend which they are likely to give in the Third Plan period. This sum of Rs. 440 crores is not an over-estimate. The Ministry of Iron and Steel has also worked out their figures. These estimates are on the conservative side. That is why the Nandaji Committee appointed by the National Development Council at its last meeting to go into the resources and constitution of the public sector has perhaps in dicated that Rs. 440 crores would be made better by another Rs. 50 crores to Rs. 60 crores if a proper working is done of the public sector undertaking in the Third Plan. Therefore, the public sector undertakings can contribute in the Third Plan period about Rs. 500 crores for reinvestment in the enterprises.

This amount of money that we are earning has to be seen in a proper analytical manner. It will not be correct to put up the aggregate of investment and then ask as to what is the net return. You will have to examine the balance-sheet as a shareholder. After all, this august House is a shareholder, is the owner or the sole proprietor on behalf of the people of India of the public sector undertakings, and I would invite a very critical analysis from those hon. Members who are interested in the business of public sector undertakings. I hope all are interested in knowing where we are. We have a chartered accountant all along the line to do accounting as is done in the private sector.

Shri Bimal Ghose: What is the average return?

Shri Manubhai Shah: Well, Sir, it is too early to ask for average return. Let us not be too much in a hurry. When I say that the return is ploughed back into the enterprises, the average return is given in the depreciation fund, in the reserve fund and in the dividend which they declare.

That is what is done in all the undertakings. Shri Mathur last time analysed some of the things and suggested that those which have gone into production and which have run for two or three years in useful activity are the units where we can have returns. You can ask Shri Somani about the position in the private sector. In the private sector also, private industries started three or four years ago enjoy development rebate and development depreciation which is being ploughed back and it is only after four or five years, in the fourth or the fifth year that net profits as dividends are shown. What I am merely trying to suggest is this: judge us harshly—do not judge us leniently—because we ask for no quarter; but judge us intelligently, judge us by analysis and by comparison with any private sector undertaking of a similar type. That is my challenge to the whole House about every project that we have undertaken including all aspects like normal profits, cost of production and efficiency.

Shri V. P. Nayar: That is exactly what we are saying.

Shri Braj Raj Singh: Ask Shri Somani.

Shri Bimal Ghose: In the explanatory memorandum, the Finance Minister gives certain figures and they create an impression which does not very much add to the credit of the public sector undertakings. When Government themselves show two different figures, where do we stand?

Shri Manubhai Shah: We stand like this. Those who are interested must read every literature on that particular project. And project to project analysis is better than those aggregates, because those aggregates are made for people who do not have the time or leisure or feeling to go into the detailed working of all public sector undertakings. My hon. friend, Shri Bimal Ghose, can go into it and show others what the Hindustan Machine Tools is doing, what the Nahan Foundry is doing, what the Hindustan Electricals at Bhopal is doing or what the Hindustan Antibiotics is doing. And I can assure him on behalf of my colleagues, either in this Ministry or in the other Ministries, that we shall give all the facts and figures, because we want to be educated, we want to be better-informed.

Mr. Speaker: I understood the hon. Member to say that there was difference between the figures supplied by the hon. Ministers. Both the hon. Ministers are interested in this matter. The Finance Minister is interested in showing to the House the prospects of getting money from the public sector, which can be added to the revenues of the State. As a matter of fact, in East European countries, Communist countries, they are trying to avoid direct taxation altogether and they depend entirely on the public sector projects to get revenues for the State. Now what is the amount that can be got from the public sector? As the Minister of Commerce and Industries is interested the Finance Minister is equally interested in showing a good profit, and that is perfectly understandable. But the figures do not tally. Hon. Members are naturally interested in knowing where we stand.

Shri V. P. Nayar: The Finance Minister has stated that the return is only ·05 per cent. In fact, the whole campaign against public sector undertakings is done, especially by persons like Shri A. D. Shroff, quoting the figure of the Finance Minister that the return is ·05 per cent in the public sector undertakings. And that is exactly what Shri Ghose was also complaining of.

Shri Manubhai Shah: There is no contradiction between the two and we know how to reply to Shri Shroff. The hon. Member must also try to reply to him, as I am trying to do, and that is as follows. As you have rightly stated, the Finance Minister

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could give only the aggregate of the national investment in the public sector and the national return by way of dividends, depreciation and reserves in their own total aggregate. Now, here is an analysis to be done: what is the reservebuilt up by each enterprise, what is the depreciation provided for....

Shri A. C. Guha (Barasat): The Finance Minister's figures do not contain anything about depreciation; they have dealt only with the profits made. But shri Shah is taking these reserves also.

Shri Manubhai Shah: As I am saying, we are all agreed on this point, as has been rightly remarked, that the contribution by the public sector undertakings to the national exchequer in the Third Plan will be estimated at Rs. 440 crores. Sir, just now before you came here, I suggested that it is our belief that perhaps it would be bettered by another Rs. 50 crores in the Third Plan. So, the total aggregate contribution by way of reserves, by way of depreciation, by way of earnings by these public sector undertakings, to the country and to the national exchequer will run to Rs. 500 crores. These figures are those which can be checked up by individual analysis of each project, and if the aggregate is arrived at these figures will not vary at all, whether the figures have been supplied by the Finance Ministry, Steel Ministry or our Ministry.

Mr. Speaker: Is there any industry in the private sector which declares no dividend? Here we are talking of only reserves and reserves without any dividend.

Shri Manubhai Shah: As you very well know, Sir, there are many private sector undertakings which have not declared any dividend for 5 or 10 years because of their financial policy. We are not merely interested in showing to the House the declaration of a 5 per cent or 10 per cent dividend, which we can very easily do. Here it is our object to develop the industries to a certain extent, provide for reserves, provide for the repayment of loans, provide for interest on the sinking fund and the redemption fund and then arrive at the correct figure. Those of the projects which have come of age have already started declaring dividends. Then I was saying about the public sector undertakings that particularly the year 1960 has been remarkable in the growth of some of the public sector undertakings.

In this year we completed the major heavy drugs project of which four units are being started very soon. When they go into full production these four projects will be yielding life-saving drugs to the extent of Rs. 30 crores. One is in Hardwar near Rhishikesh. That is for the antibiotics. It will make about 140 million mega unots of penicillin and about 90 tons of streptomycin and 100 tons of teracyclines. The second is in Sanatnagar which is going to be one of the biggest drug projects of its kind in the whole of Asia. That is a synthetic drugs project which will be developed there at the cost of Rs. 12 crores to Rs. 15 crores. That is in Hyderabad. Sanatnagar is a suburb of Hyderabad. The third is for surgical instruments and medical appliances which is being developed in Madras. The fourth is in the State of Kerala. My hon. friend, Shri Nayar, whenever he talks of Kerala, forgets those projects which we have started there. He gives only the debit side. At Naryamangalam in Munnar District we are starting a phytochemical project which will be producing alkaloids. This I mentioned because the House has been very much concerned about the growth of these drug projects.

We have practically completed preliminary preparations for all our Third Five-Year Plan projects during 1960-61 that is, doing the year just gone.

The House knows about the heavy machine building plant at Ranchi and the coalmining equipment plant at Durgapur We have finalised the expansion project of the heavy machine-building plant to the extent of a complete manufacture of one steel plant of a million ton capacity when it goes into full production. In the coal-mining project at Durgapur we are also undertaking the expansion from 30,000 tons to 45,000 tons which will include not only the coal-mining equipment and other minerals mining equipment, but also mineral oil equipment to which the House is very much devoted. It will include the manufacture of exploration rigs drills and various other sypes of drilling equipment required by the Ministry of Mines and Oil for the purpose of exploration of mineral oils. That is a very important project and that is why I drew the attention of the House to that I would not take too much time of the House in describing that. The heavy machine tools project to which we were looking forward has also been finalised and is being established in the Heavy Engineering Corporation.

Then I was suggesting about the location of sites. There has been a continous complaint from various hon. Members that so many States are not being looked after. If the House will kindly go through the location aspect of these projects, it will be realised that excepting the steel plants and those industries which were really based on heavy transport or bulk of local raw materials, all the other projects are being distributed in a fairly even way. That is our declared policy, namely that we should avoid industrial complexes, where they have grown, in the location of the public sector undertakings. That is why we established the machine tool project in the Punjab, the Heavy Electricals is going to be in one part, somewhere in the south, and the other one in the north. Out of the two instrument projects, one is being finalised and the other is still being negotiated. Again, one of them will be in one State and the other in another State.

My hon. senior colleague and I have been assuring throughout the country that during the Third Five-Year Plan period every State is going to have the establishment of a major public sector engineering undertaking. I cannot do anything better than that. Therefore I would like and humbly beseech hon. Members that the atmosphere of "economic divide" in which each one is arguing to get a project for his State should be avoided and we should try to pull up the national character of these public sector undertakings, whether they are located in Bengal, Punjab, Maharashtra, Gujarat, Madras or Andhra. They are national projects. They are not some regional aspirations to be satisfied and we should not create on a good and tremendous thing like that something like an internal feeling of irritation and bitterness, because some of us have become so much pressurised from all parts of the country. There is from every State, deputation after deputation, representation after representation and misrepresentation after misrepresentation of various types of things. Every time a newspaper says that the heavy electrical plant has already been located in some State, another State comes forward and says whether that is correct. We say, "It is wrong". Then they say that it is likely to be located in their State. Again, another friend wants it to be contradicted.

Only last week we had the experience of some very senior friends of ours coming from one part of India. The moment they went out of here, they suggested that there was a very good chance of that being located there. Previously some other State people came. Therefore I want to seek the co-operation of this House. In the location of these public sector undertakings we have to be very vigilant. The nation has to build. The State is only an integral part of

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the nation. As long as the House is assured that the proof of the pudding is in its eating, I am trying to test ourselves out not merely by oral promises. If you find that every project is sought to be located in a dispersed manner avoiding those places where already they were lucky due to various reasons to get heavy industrial undertakings in the public sector, I should welcome and request the co-operation of this House in avoiding regional tensions on the location of these public sector undertakings.

Now I come to one of the basic things which has been agitating the minds of most of the Members, that is the industrial policy of this country. Sir, in this regard I have already dealt with the investment in different industries and their products. But I would like to give some figures to this House so that they may appreciate the tremendous investment that is going on in the industrial sector in this country.

Sir, in the First Plan, in the public sector the investment was Rs. 60 crores. Against that, in the private sector it was Rs. 330 crores. In the Second Plan, as we go along, the public sector investment expanded to an additional Rs. 720 crores—that is twelve times more progress, more investment in the public sector, as compared to Rs. 850 crores in the Second Plan in the private sector. Due to the deliberate policy accepted by the party in power, towards the goal of socialism, the public sector dominates the industrial activity and we have oriented the investment from Rs. 60 crores in the First Plan to Rs. 720 crores in the Second Plan.

In the Third Plan, as the House knows, the public sector investment is going to be about Rs. 1,550 crores—my own estimate is that it may go up by another Rs. 100 crores, as against Rs. 1,200 or Rs. 1,300 in the private sector. As a matter of fact, as the House knows and if they read the complaints of the Federation, they will realise that the private sector itself thinks that the dominating role of the public sector is established in this country. We are happy about it and I want the House to be happy about it and to speak from the housetops that we are deliberately taking this step to see that no concentration of power, no concentration of wealth takes place in this country by a deliberate policy of investment in the public sector. What can be greater proof—sixty crores of rupees of investment in the public sector in First Plan, Rs. 720 crores in the Second Plan, and Rs. 1,550 crores in the Third Plan, as against Rs. 330 crores in the private sector in the First Plan; Rs. 850 crores in the Second Plan and Rs. 1,200 to Rs. 1,300 crores in the Third Plan?

These figures are outside the power projects. Power is an integral part of industry. Previously, before independence, every private industrialist was obliged to put up his own power station. Therefore, investment was coupled with power. In regard to power the progress has been phenomenal in the public sector. In the First Plan Rs. 260 crores was the investment in the public sector in power, which is the raw material for industries, as against Rs. 42 crores in the private investment in electricity. In the Second Plan Rs. 460 was investment in power in the public sector, as against Rs. 65 crores in the private sector. In the Third Plan Rs. 1,040 crores is the investment in power in the public sector as against Rs. 50 crores in the private sector.

Therefore, the basic instruments of production and the tools of economy are remaining in the hands of the community so that we can work as the guards and sentinels of the public good and the good of the community. This I wanted to bring out as the first point, that is the dominating role of the public sector which is prescribed

in the Industrial Policy Resolution of 1948, more elaborated in 1956, and which has been unshrined in the Indian Constitution that we shall try to subserve the interests of the community as against private interests.

That is the first phase and I would not like to elaborate upon it. That is number one.

Then, Sir, the next question relates to monopolies. My hon. friends, particularly on the Opposition, are never tired of talking of monopolies. Where are the monopolies in this country—monopolies in the economic sense? Let us not confuse the industrial bigness or what the Estimates Committee perhaps put it industrial empires.

Shri Dasappa (Bangalore): That is an expression used by the Government itself.

Shri Manubhai Shah: In which Ministries?

Shri Dasappa: Monopolistic tendencies. The desire have monopolistic tendencies is the policy of the Government.

Shri Manubhai Shah: Not industrial empires.

I am merely isolating the two parts. "Monopoly" is an economic term that is used when a commodity is cornered or controlled by an industrialist, a group of industrialists, what is called a cartel or combination of different industrialists in a country. And that is why in England and in the United States measures like the Anti-Sherman Act against monopolies and cartels came in. In the British House of Commons they brought in a Commission on monopoly. Because, political and social consciousness in those countries came only after the economic development had taken place. Fortunately for us, even though we missed the chance of history in industrial development, the social consciousness and political consciousness here has grown, has almost forerun, at a much faster rate than economic development. Therefore, the House has been vigilant, public opinion in this country has been vigilant, and we have tried and avoided practically all monopoly.

17 hrs.

I will analyse the situation about monopoly. In paper, in cotton textiles, in sugar, in chemicals, in any consumer industry there is not a single group which owns more than 3 to 4 per cent of the national production.

Shri M. L. Dwivedi (Hamirpur): What about vegetable products?

Shri V. P. Nayar: What about cement?

Shri Manubhai Shah: I will come one by one. If hon. Members will bear with me, I will acknowledge what is there and try to refute only that which is not correct.

I was saying with regard to the production of the bulk of the consumer goods in the country that there is not a single industrial unit or industrial house—and the names are already familiar to hon. Members here—which owns more than 5 per cent of the national production. There are four expectations to this. One was the Metal Box Company of India manufacturing containers. And I am glad to inform the House that due to the Industrial Development and Regulation Act—of which there is no parallel in the whole world as far as social philosophy is concerned, because it has given all the biting teeth and all the instruments to our country's government to see that development is carried out in a particular direction—the production of this Metal Box Company, which at one time enjoyed almost a monopoly in the matter of containers, has today been reduced to 20 per cent of the national production. We have licensed, with a deliberate view, new units outside this particular company, to see that

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80 per cent of the production goes to other units.

The next is ACC in regard to cement. Historically the House is aware how the ACC came into being. It was a combination or a merging of four or five houses. At the time of Independence and particularly in 1951 they controlled 64 per cent of the national production of cement. By a deliberate licensing policy of seeing that new enterpreneurs are always encouraged as compared to the established ones, their share has been reduced to about 39 per cent. I can assure the House that during the Third Plan it will be reduced to less than 25 per cent. Because, it has been our definite policy, particularly after the 1956 Resolution, to see that every time a new enterpreneur comes, we give him preference in the matter of industrial licensing, whether it is for cement or for any other type of product, as far as the social policy is concerned.

Then, the third commodity was....

Shri Heda: How much has ACC expanded?

Shri Manubhai Shah: In the total gross capacity we have expanded from 3.1 million tons to 8.9 million tons; and ACC has expanded from 1.9 million tons to 3.8 million tons. This is very small. Otherwise it would not have gone down from 64 per cent to 39 per cent. It is simple arithmetic. You have merely to calculate it. What I have been trying to draw the attention of the House to was that it is our deliberate policy that continuously we license units outside the established one.

Then, the third one was WIMCO. WIMCO was the main producer or almost the sole producer of matches in this country. We brought in differential excise. A,B,C and D classes of units were encouraged; 19 big or medium-scale units were encouraged, with the result that the production capacity of WIMCO has been stagnated during the last five years and production of about 16.5 million gross matches, outside the 22 million of WIMCO's has gone to the non-WIMCO group. What I want to place before the House is that from 100 per cent we have brought it down to 60 per cent; because the growth of this is not fast, the consumers do not need so much matches. But as we increase match production more and more, I am give this assurance that we are seeing to it that these big units are kept away.

Then the only group which is still going to be handled is industrial gases, about which Shri V. P. Nayar has been mentioning from time to time. Even here we have licensed fourteen new units to see that in the next two years—industrial gas is not an important item of national economy, so we should not be over obsessed with it, but even there we are trying to see—that more new enterpreneurs come in and produce industrial gases.

Shri V. P. Nayar: May I ask a question? Why is it that in the U.K, the Commission on Monopolies and Restrictive Practices made a specific enquiry about the holdings of the British Oxygen and Acetylene Co., if it was not such an important product?

Shri Manubhai Shah: We have already seen that. As already mentioned, the pattern of social development in the UK was different from the historical growth in India. Here we brought into existence a conscious House; we had a conscious Parliament which had been wedded to socialistic philosophy and to see that the common man came to the fore. That is why no price-rigging is possible. We are all against any type of monoply in this country. We shall tolerate no growth of monopolies at all, and if a anybody tries to do any mischief by undercutting, by driving the enterpreneurs out of the market

by trying to dump his goods, or tries to so arrange the price structure for a while that the other people have to close down or tries to so price-racket by controlling the maximum production of the national economy, then we take measures to guard against them, and the House is more aware of that than perhaps any group of people that in these various industries—barring these four industries, where also systematically we are trying to avoid monopolies—we are trying to see that monopolies are avoided.

An Hon. Member: What about the Imperial Tobaccos?

Shri Manubhai Shah: So, having I dealt with the first point, namely, the role of the private sector, I now come to the second point namely the powers under the Industries. (Development and Regulation) Act. I konw that some hon. friends think of industrial licensing as the only work under the Industries (Development and Regulation) Act. Nothing is farther from the truth than that. Industrial licensing is only a minor function under the Industries (Development and Regulation) Act. It is the social philosophy behind it, the control of prices, the control or distribution machinery, attempt to that a regional balance of development is continuously achieved—these are some of the major objectives of that Act, and that is what we are trying to achieve. This is the major role of the Industries (Development and Regulation) Act. Now, I come to the third thing regarding industrial bigness. This bigness can be very menacing. We are all against this bigness. But I should also try to take the sympathy of the House on this, namely, that we have launched upon a massive programme of industrialisation which will be very telling to the House if I suggest that the total investment in the industrial sector, that is, the total manufacturing industry sector at the beginning of Independence was Rs. 799 crores, but at the end of the Third Plan—I would not like to give the figures in respect of the First and the Second Plans—it is going to be of the order of Rs. 5500 crores, or it may be a little bigger than Rs. 5500 crores. So, here is the comparison to be drawn. When the national cake grows, it is the percentage or the proportion of the national cake to the original dimensions of the unit that this House has to keep in mind. There is a certain amount of inescapable enterpreneurship—skill, better managership and better organisation and skill which we have also to deploy in the service of the nation, without every time being afraid of a few individuals. After all, what strength have they got? We have got all the powers legislation here; we have all the powers of policy-making here; and we have all the powers of investment and finance with a dominating public sector, and with discriminatory and regulatory type of legislation. If we do not deploy the skill of the Birlas and Tatas in putting up an aluminium plant, for instance, when it is allowed in the private sector, when by the deliberate policy of investment we have tried to put the maximum money of the country in the public sector, then we are only the poorer for it; there are many sectors which we have to leave to the private sector; therefore, if we divert them to other fields instead of to paper plant, or cotton mills or sugar factories or chemicals, cement, rayon etc. which the new enterpreneurs can easily take up, since these require less skill and less managerial talent and less resources, then, there is nothing wrong about it. Therefore, I would submit that while we are all against this bigness, and we are trying to avoid the bigness, we have taken two definite steps which militate against this growing bigness. The first is that in all the well-developed industries like cotton textiles, jute textiles, cement, paper, sugar, rayon and heavy chemicals etc. etc it has been our policy to avoid any of the existing houses; those who have got sizable investment in these industries get very few licences. As far as possible, we have avoided them.

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In the future, we are going to be more firm on this that when these well-established industries come up—and their list can be widened—we shall try to see that the new entrepreneurs, and those who do not have units in the particular industry are encouraged as compared with the others. This is one measure which we have taken to avoid bigness.

Somebody has circulated a photestat copy as to who owns how many factories. Half of it is wrong, because I know it from facts that these picersnh copies at least sometimes try to create an atmosphere of Macarthylsm in this country against any healthy growth of economy and try to run down our basic philosophy of industrial development and do a lot of harm. That has got to be avoided. That is what I am pleading with the House. Our policy is that we are not allowing these big industrial houses to become bigger, by letting them have more of those industries which are well-established, to the new enterpreneurs who would be welcome.

Then, the second point is this—about industrial licensing. I would request the hon. Members to let us have a single instance when an industrial *entrepreneur* of a new type—whatever be the definition of new—has been refused a licence. I take personal esponsibility on this, to go into every case where a new enterpreneus—whatever the definition, you might say he is in sugar, he is not in cotton or he is in cotton and not in paper—has applied. We are encouraging them, whenever the licence comes within the possibilities of foreign exchange. Sometimes due to capacity we may have to refuse a licence and say neither the new nor the old will be given a licence. But, when a licence is possible, always a newcomer is given preference—preferential treatment—and no refusal as compared to an established house. These are the precautions that we are taking

The fifth point is this. I placed before the House 4 points. There are really 6 pillars of industrial policy—as I would like to call the "hexagon of industrial policy"—of this country. The fifth point is intensive and widespread development of medium and small-scale and ancilliary industries. The House will be pleased to know that during the last few years the new units that have come up in the small-scale and medium industries —are 48,000. Shrimati Renunka Ray stated that as against 2,000 units in the large-scale industries licensed in 1960, the number in the small-scale and medium-scale group is 48,000. I must mention that these are not units which come under handicrafts, khadi, or coir or silk but those which are of a mechanised type of small-scale and medium industries.

As a matter of fact, Shri Mathur is very keen on small-scale and medium-scale industries, more keen than some of us. We have stretched ourselves to the utmost. And the Chief Controller's office is feeling all the pressure as to where to get foreign exchange for these Small Industries. It is no question of languishing as Shri Braj Raj Singh pointed out. It is no question of languishing. It is a question of giving greater and greater help to the medium and small-scale industries. We are working for it. We are devoting night and day and the officers of the State Governments and the Central Government, by various measures of promotion of small-scale and medium-scale industries are encouraging them in order to devirsify enterpreneurship, to decentralise economic holding and to make the distribution of wealth and economic power in a large number of people, as much as possible.

Shri Harish Chandra Mathur: What is the foreign exchange you have made available to the small-scale industries during the last 2 years?

Shri Manubhai Shah: I have not got the total of it. If I can say . . . (*Interruption*). I can find it out and let him know. At one time, I had made an exercise and for all sectors of development of various types of small industries the total came

to Rs. 63 crores. But, I do not vouchsafe for it. It can be properly looked into. It is a much more tremendous amount than what it was 5 years back. It is at least five or ten times. Ch. Ranbir Singh knows it and Shri M. C. Jain had asked for this in the last meeting of the Small-Scale Industries Board. I know that figures relating to small-scale sector and industries like non-ferrous metals and rayon and various other types of components have gone up considerably. (*Interruption*).

Shrimati Renuka Ray: What about the raw materials for them?

Shri Manubhai Shah: After all, we are moving so much faster now that even the policy-makers have been left behind. The new enterpreneurship in the country is growing much faster than what the policy-makers could think of. What is to be done? But that does not mean that we are defeated or are being defeated. We are accepting the challenge. That is why 10 million tons of steel is being planned. Much against the wish of the private sector, we are insisting on 10 million tons of crude steel and 7·5 million tons of finished steel in the Third Plan; and that is for the small-scale, the medium-scale and the large-scale industries so that more and more raw materials are fed to them.

The sixth point was the channelising of higher skills, of engineers, technicians and skilled workers and competent managers from the traditional private industrial classes to more difficult lines of production, that is, of capital goods machine tools and industrial machinery. Now, we are trying to see that while we discourage them in the traditional lines of well-established industries of consumer goods we try to see that they take bold enterpreneurship in their hands, and prove that entrepreneurship is entrepreneurship. If the scheme is simple enough, then where is entrepreneurship? There must be real enterprise. That is why we have appointed a Development Council for Machine Building Industry during the last fortnight under the chairmanship of our Additional Secretary to see that industrial machinery, capital goods, plant and equipment are fabricated to the maximum in the Third Plan.

In the brochure which we are soon publishing, we have pointed out that the industries already registered and approved, both in the private sector and in the public sector, would manufacture between Rs. 450 crores to Rs. 500 crores worth of industrial machinery per year during the next 5 years. Therefore, I would only repeat for the information of the hon. Members that our industrial policy is really a six-pillared, hexagonal-type policy with the dominating role of the public sector, number 1, the power of the Industries Act to prevent growth of monopolies, number 2; and to see that in well-developed industries the industrial bigness is avoided, to be constantly watchful that no single group really enjoys any sizable segment or percentage of the national production, to give new and positive preference to the new entrants. The fifth is the intensive development of small-scale, encilliary and medium-scale industries. The sixth is the channelisation of higher skills and managerial functions to more difficult enterprises. This is the six-fold approach and the House will appreciate that the danger of industrial bigness is really not as big or as monstrous as is sometimes depicted to be. Yet, I would be the last person not to caution the House that this is a menace which we are trying to fight out and it will require all the sympathy of the House and all the support of the public of this country to see that no concentration of wealth takes place in undue or wrong hands far too much, when it may be impossible for us to control these sinews of power and pelf. But at the same time, I must seek the blessings of the House to see that no national obsession of industrial bigness is created when we talk of industries and we do not forget the basic structure of the national economy and merely say that the net result of our industrialisation is that five or ten people have become richer or twenty or more people have become bigger. In modern technology, all advanced countries are

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going to run much faster than the less developed countries. So, in our country those who have got better means of production and better skills of function will definitely go faster than some of us who are pauperised; we do not have much of resources and naturally those will go slow. But our aim is to cast a wider net of *entrepreneurship* in the lower and middle-income groups so that the wealth of this country is properly and more equitably distributed.

Some of the points raised by my hon. friends were regarding the National Industrial Development Corporation. It has really a historical past. In the year 1954, the Government was really worried that the Industrial Finance Corporation of India was not in a position to help the modernisation of the two king pins of our national industry, namely, the cotton textiles and the jute textiles. It was my senior friend, Shri T. T. Krishnamachari, who thought of the National Industrial Development Corporation. We are grateful to him that he conceived of this instrument specifically, on the one hand to prepare projects for the public sector undertakings and secondly, for modernisation/rehabilitation of the cotton and jute textile industries. The I.F.C., under its Charter, because it is a statutory corporation, cannot grant loans more than 50 per cent. to any industrial enterprise and secondly, it cannot grant loan on anything but a first charge; that is, the whole of the corpus has to be mortaged and two directors have to stand guarantee to the I.F.C. That was a statutory Corporation. Now, the National Industrial Development Corporation gives loans for modernisation to weak units, almost up to eighty per cent. in some cases and we are giving loans as a second charge. My hon. friend, Shri Radhelal Vyas, knows that in the case of a very very old mill in Ujjain we had to go to a much greater extent and accept a second charge. We had accepted that in a number of cases. Its specific purpose is to have the 511 cotton textile mills and 112 jute mills modernised. In this country, fifty per cent. of them are really old types of junk. As I said before, the oldest industry in this country has the privilege of having the oldest machinery in the world. Sometimes, I am shocked; it should really be the most modern machinery. My hon. friend, Shri Somani knows that the oldest industry,— cotton textiles—in this country, claims to have the oldest machinery in the world and plants installed in 1850 or 1885, Platt Brothers, Tweedley and Smalley type machines, old types of junk are still operating; it is more than a shame; it results in high costs to the country's economy and, therefore, we want modernisation. The House should have commanded us that we should follow Britain's example in going still further to see that these industries are modernised as fast as possibly by trying to render such assistance which is necessary and I can assure Shri Somani that it is very much in our minds and we have not used empty words in the Resolution. We want to see that more and more efforts are made by the National Industrial Development Corporation and the Government of India during the Third Plan to modernise as many cotton mills which are old and dilapidated as possible. Practically 65 per cent. of the jute mills have already been modernised and 35 per cent. remains and we hope that within two years it should be possible to modernise them. In the case of cotton textile mills, the process is long. I would, therefore, request him and the Cotton Textile Federation of this country to give us the fullest co-operation and to see that in the case of these weak units or badly managed units, we push out the old management and bring in the new management. We have today any number of authorised controllers. Practically, we have taken over 19 mills and we are prepared to take over more if necessary. The House will be glad to know that every mill which we have taken over has earned a profit after we took it over. (*Interruption.*)

Shri M. B. Thakore (Patan): What about the Sayajee Jubilee Cotton Mills, Shidhpur?

Shri Manubhai Shah: We just do not want to add to our work unnecessering. If the Jubilee mills is bad, we shall examine it and we are certainly prepared to look into it. But what I am saying is that in order to modernise, we would secure the strength from this House and we would go to the utmost length, even to displace a management that is incompetent, in order to see that the modernisation of the textile mills is undertaken.

Shri Harish Chandra Mathur: The House is always for it.

Shri Manubhai Shah: The House is always for it. Only, I want the appreciation for the N.I.D.C. that proper evaluation of its work has been done that whatever is not possible for any credit corporations of this country has been attempted by the N.I.D.C., with many faults here, with many weaknesses there and with many drawbacks, and by getting more strength out of the experiences of the past.

Shri Basappa (Tiptur): Is it necessary for the Minister to be the chairman of the N.I.D.C.? The Ministry can look into the matter and then the matter may come before the Minister. But if the Ministers themselves are the chairman and the vice-chairman of the body,.... (*Interruptions.*)

Shri Manubhai Shah: We are not enamoured of the chairmanship. As a matter of fact, the Cabinet is taking a decision very soon about the chairmanship. I will be glad to be relieved and I can speak on behalf of my senior colleague also in this matter; neither he wants to be the chairman nor I to be the vice-chairman of this Corporation. What we are seeking to do is to modernize and rehabilitate the cotton textile industry and the jute textile industry through the mechanism of this Corporation. If we as chairman or vice-chairman have not done well, we are sorry for it and we are prepared to vacate. (*Interruption.*)

Shri Basappa: What I meant was that the Minister should come into the picture ultimately. The Ministry should examine the whole thing and then the Minister could be in a position to see to it. That is what I wanted to say. Not that I have no faith in the Minister. I have all faith in our Ministers. But I wanted that the Ministry should scrutinise the whole thing and then the matter may come before the Minister.

Shri Manubhai Sha: This is a matter of opinion. But, when it was conceived, it was thought that it would be better to have the Minister himself as the chairman to give a push to this developmental public sector undertaking. In this connection, if I am not disclosing anything, I am tomorrow laying before the House the latest report of the N.I.D.C. What I am trying to tell the House now is that during these four years—during the two and a half years of its active working—we ourselves have processed about 14 public sector undertakings which have already been implemented. Three more are under consideration like phosphorus, aluminium and heavy structural and plates and vessels. Out of the 19 projects which we undertook, 14 have already gone into the finalisation stage and corporations have been set up. In another three or four, we are trying to see that in the next year the public sector undertakings come into being. It is only in the case of one or two others like rayon grade pulp that we do not find any interest and we are trying to give them up. For the rest, all the public sector undertakings that we took up have been worked out by the N.I.D.C.

Shri Basappa: The criticism was that the directors have drawn large amounts, and therefore, I made that remark.

Shri Manubhai Shah: There is no corporation in the world where, if a man sits as a director, he is debarred from taking it. He does not participate, and we have also given an explanation under section 299(c) of the Companies Act. We will be glad to give more explanations to the Estimates Committee. We are very grateful to them for having cautioned

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us on this, which was already in our mind. As a matter of fact, I know personally of a case where the directors themselves have told us, "We would rather not take this because we are sitting on the Board." The percentage comes to about 19.4 or so, as given by the Estimates Committee. But we are coming across mills which are so bad that perhaps none of the so-called big industrial houses—I do not really want to wound them—would want them. The number of weaker units are about 200 or so who must go in for modernisation.

I was coming to the National Small Industries Corporation. I am grateful to Shri Harish Chandra Mathur for having drawn our attention to it. He knows; there is a partial sort of understanding between us that he raises it here on our behalf! (*Laughter*). I am glad to say that the NSIC has received another Rs. 50 lakhs, and this morning the Chief Controller has given this money to the small scale sector. But I can tell my hon. friend that Rs. 5 crores more are coming at the end of this month, because of the DLF loan for which we had canvassed and which has taken a long time. Now, we are assured that by the end of this month, an agreement will be signed in Washington and the National Small Industries Corporation will have money which will be double of what they ever got in any year during the last three years. Therefore, we are grateful for the blessings of the House, and I may tell him that it was one of the wrong impressions which perhaps he had, namely, that nothing was given. (*Interruption*).

Mr. Speaker: Order, order. Let him proceed.

Shri Manubhai Shah: Rs. 75 lakhs were given at one time and Rs. 24 lakhs were given at another time. So, while this is not quite commensurate with the demand,—not that we completely starved them out—we did give them about Rs. 99 lakhs. And another Rs. 50 lakhs have been given. Now, I would like to give a little description about the work done by the NSIC. This single corporation in the small-scale industry has up till now bought on behalf of 4,000 small-scale units about 10,000 machines. I hope the House will appreciate this work on the part of this corporation, which is struggling to come into existence, to draw up the specifications, to place orders on foreign countries and to get the machines and deliver them to the large number of small entrepreneurs in the country. If you see some of the entrepreneurs who have received NSIC machines, I think the blessings that they have received would far outweigh the few complaints, which naturally are there and which we are trying to remove.

Shri Dasappa: It has not got a good house to accommodate it.

Shri Manubhai Shah: There are various economy committees. We had a circular from the Finance Ministry that we should avoid more money being spent on construction. That is why we are still sitting in the old house. We are trying to house them better.

Talking of NSIC, I would also mention about the programme of small-scale industries, because the Corporation does not really promote more than 2 per cent. of the small-scale sector. For small-scale industries, we have other powerful instruments such as industrial estates. Some friends were asking, why don't you establish industrial estates in rural areas? I want all their co-operation. Here is my friend, Shri Mathur again, who has enabled us to establish four rural industrial estates in one single district Pali—in Pali, Rani, Sumerpur and Phalna. I have been telling my hon. friends, Shri Ajit Singh Sarhadi and two other gentlemen who referred to this, that if they take interest in these rural industrial estates, it can be done. Establishing a rural industrial estate is not an easy job. It is one thing to provide the money

and another thing to attract good entrepreneurs to the rural areas and make it a success. Out of 120 industrial estates, even in regard to 20 rural industrial estates in the rural areas undertaken in the Second Five Year Plan, we have experienced quite a lot of difficulties—difficulties of pioneering, difficulties of removing the inertia from the rural side, etc. The entrepreneurs are more reluctant to start industries in the village areas. But I can say that if every individual Member of this House takes interest in this, not only shall we establish 100 or 200 rural industrial estates, but we have a very ambitious programme of what are called work sheds. We want to establish about 1000 work sheds in the Third Plan in the villages through our Ministry and the Community Development Ministry.

I must caution this House that this is a very very difficult thing. It is easy to take the horse to the trough but it is difficult to make him drink. It is well said, "Why don't you plan so many industrial estates in the rural areas?" To plan it, to see that it works, to see that the entrepreneur works in a competitive manner with the more well-developed environments in the urban areas, is to some extent to revise and reverse the process of industrialisation. It has got to be done in this country. I for one, Shri Shastriji when he was with us and Shri Reddy, all of us are really wanting to see that village industries and rural industrialisation become our sheet-anchor during the third and subsequent Plans, because there is no escape from it. Unless and until our villages, where darkness prevails, are shown some light by industrial and economic activities, we cannot take modern technology and science to the hearth and home of every village in this vast country of ours.

About these six boards, there was mention as to how long shall we give rebate to khadi, what is being done in the handloom sector, why coir and silk are not being extended to some areas, where they may be more fruitful, as Shrimati Renuka Ray said, etc. I may mention that the khadi industry alone has produced in the last ten years almost 5 to 6 times the production when it started. When Bapu was with us and we were wedded to the philosophy of khadi not only as an economic enterprise, but as a social and political weapon, we produced in his country not more than Rs. 2 crores worth of khadi. But today due to the activities of the Commission and the Board, the production has gone up to Rs. 13 crores to Rs. 14 crores. As Shri Vaikunt Lal Mehta said in Ernakulam, they employ 15 lakhs of people part-time and whole-time and 1 lakh of people in the village industries. Shri Patil was taking a little objection to Rs. 98 crores being spent, but we have to view it in the context of the human welfare. It is a social insurance which the country is providing to the economically weaker sections of our people. How are the Millions of people in this country, in the rural areas to be provided with work and income unless it is done through the mechanism, through the instrument of these decentralised village and cottage industries. Therefore, I would rather urge that there should be more pressure on the Government in this connection, to see that more and more funds and organisation is provided in the field of these six boards. If there are weaknesses we have to set them right. We are not going to tolerate any weakness. The handloom sector today is providing employment for more than a million handloom weavers. According to our figures, there are 1·2 million handlooms on the co-operative basis and about the same number out side the co-operative fold. In the handicrafts sector more than 9 lakh people are engaged in different handicrafts. The single coir industry in Kerala provides employment to 8 lakh people. This is the vista, this is the social and economic background of village and small-scale industries for which no rebate and assistance is too much.

As a matter of fact, if the House examines the economic rebate and

[Shri Manubhai Shah]

protection given by the Government even before independence and now to big sugar industries, cotton textile industries, non-ferrous metal industries and others every year, it will be quite revealing. Every year I come to the House for giving protection to newer and newer units. What is the quantum of economic rebate and protection given to such units compared to the paltry sum that we are spending on village industries? It is a very very small amount. We are against waste. If there is any waste anywhere, if any hon. Member draws our attention to it we shall certainly take action.

Shri Dharmalingam: What about the raw film industry?

Shri Manubhai Shah: The hon. Member comes from the Madras State. I am very glad that he speaks English because I can converse with him. A company called the Hindustan Photo Film Company has been already started with its headquarters in Madras State. Land has been acquired in Ootcamund and perhaps in November, 1962 we shall be putting on the market the first rolls of films produced by that factory. After two to three years of full production it is expected to produce Rs. 4 crores to Rs. 5 crores worth of positive and other types of photographic, X-ray and cinema films required by the country. That is going to be a very major enterprise. I hope my hon. friend will take notice of it, so that it may not be said that his great State was neglected in the location of the various public sector undertakings.

Before I close, I want to draw the attention of this House to one more basic fact that even in the field of industrial co-operatives we have made good progress. The total number of industrial co-operatives in our live register during the last seven years is 19,000. Some hon. friends mentioned that co-operation in the industrial sector has not been properly attended to. I agree that much more needs to be done, but there are 19,000 industrial co-operatives in the small-scale sector which are on our live register. They include the various handicrafts, glass as in Faridabad, handlooms or the various types of silk in Shri Raghunath Singh's constituency etc.

श्री अ० म० तारिक (जम्मू तथा काश्मीर) : घडी की फक्ट्री कश्मीर में लगा दीजिये ।

[گھڑی کی فیکٹری کشمیر میں لگا دیجئے ۔]

श्री मनूभाई शाह : घडी की फैक्ट्री कोआपरेटिव में कहां बनी है ?

Forty-seven sugar co-operatives have already been established, most of them in Maharashtra. I was surprised, therefore, when Shri Patil mentioned that the growth of sugar co-operatives has not been satisfactory. As a matter of fact, we can congratulate the State of Maharashtra on the very bold stand it has taken during the last seven years. Since the time Shri Morarji Desai was the Chief Minister and subsequently during the time of Shri Chavan, the co-operative sugar factories have been put on a firm position in the State of Maharashtra and other States are following it up. He was mentioning about the distillery. It was the State Government who told us that they did not require the distillery, in the co-operative Sector; they were really more interested in the basic stuff and that they had no objection in the distillery being established by a private gentleman, whom the Government of Maharashtra recommended. So we gave the licence. Therefore, there is no question of any favouritism or discrimination against the co-operative sector.

Before I conclude, I want to place before the House only one more fact and that is about the question of training and designing. No hon. friend really touched that aspect, which to my mind is the most basic thing as far as the industrial sector

is concerned. Therefore, very soon my colleague, the Labour Minister, with out full co-operation is bringing a Bill—I had the privilege to be the Chairman in sponsoring it—to see that with the co-operation of Indian industries a legal compulsion is brought on all private sector industries and public sector industries in the country to train from year to year persons in the different categories of foremen, skilled workers, unskilled workers, higher engineers, middle managers, and all sorts of technicians in a compulsory way. Therefore, not only do we build our present but also we do not neglect our future, because it is on the locomotion of trained personnel that the future industrialisation and economic development of this country depends, and that is the very great aspect which we have taken into consideration, particlarly for the private sector, and also for the public sector. In the public sector, we have enjoined on every public sector undertaking that it should see to it that not only the personnel required by it is trained but a trained reserve is created of 10, 15 or 20 per cent. extra for their own expansion or as contribution to the industrial sector of this country. If hon. Members have enough time, they can go to Bhopal and see how one of the biggest single training shop in the whole of Asia is working in Bhopal. There are some 3,300 young engineers, some of them certificate-holders and some of them double-graduates, and they are working like live-wires and we are proud of it. As a result of their competence in training, the A.E.I., the British collaborators in Bhopal, were pleased last year to agree that the production of Heavy Electricals should be raised from Rs 6½ crores a year to Rs. 50 crores a year and a contract has been signed, and that is due to the training programme which has created confidence in the foreign entrepreneurs that they can collaborate with us on this.

We are laying great stress and emphasis on designing, because it is not correct that the industrialisation of this country has always to be provided for with technical know-how from foreign countries. Personally, to me and those of my way of thinking, nothing is more degrading than to run about the whole world to catch or capture some technical collaboration for each project. It is not as simple as all that. The whole *yajna* of industrialisation cannot be accomplished by somebody running up to America or Germany or Japan from this country or our buying the technical know-how of some foreign industrialist on some terms. That is necessary for a while: In the incubation stage, in the gestation period of the industrialisation of the economy, it is inescapable. But there is a stage where self-reliance on our technical know-how becomes necessary and it is here that we are trying to build four national institutes of machine designing. One of them is in Ranchi. The other one is proposed to be built in Bangalore for machine tools. Two more are under contemplation, one for heavy electricals and the other for structural and plate vessel works industry. With these four national institutes, aided by the designing cells in every public sector undertaking and major private sector undertakings, which will all be harmonised together, at the end of five or ten years we shall get our own young Indian skilled engineers, who will not be inferior to their compatriots in any part of the world This is not my opinion alone. Being my countrymen, I might be a little partial to our own young Indian friends. This is the opinion given by the Germans, by the Russians, by the Czechs by the British and by the Americans who have seen our young engineers at their work as under-studies, how capable, how imbibing in skill, how ready to absorb the training in science and technology are the average Indians. This shows something of the bright future of the modern industrial economy of this country and that is why this training and machine-designing programmes are being undertaken on a vast scale.

[Shri Manubhai Shah]

I come to my last point, and that is about the profitability of enterprises, to which Shri V. P. Nayar drew attention day before yesterday. I may say that he has in this case, as he always does, read the first page and forget the second. This is the very Bulletin of the Reserve Bank of India.... (*Interruptions*). I am saying this beause I have seen it on many occasions.

Mr. Speaker: I think the hon. Minister said that he reads the first page and forgets the second. He must read the second also before he forgets it.

Shri Manubhai Shah: That is the peculiarity of my hon. friend. He reads it but does not want to tell it to the House. Here is the first stage from which he read. Just on the reverse of it is the actual state of affairs. He has compared the gross profits in 1950 and 1958 which is given in Table No. 1 of the Reserve Bank of India bulletin.

Shri V P. Nayar: If I may interrupt him, I did not use that. I was reading from the survey of the corporate sector, made by the Company Law Administration. The very page from which I was reading related to net profits after taxation.

Shri Manubhai Shah: The statistics are sometimes very damaging and they can be misleading, and this is one of the instances before the House where the Company Law Administration report, on which the Reserve Bank has compiled the statistics before us—I am reading from them—shows the same figures which he has quoted. What they have done is this. Now I will try to explain it if he has not seen this, as he says. Otherwise, I thought he has seen it, but did not want to tell us.

The real point is that the gross profit in 1950 and in 1958 is what he says, but what he has not seen is the profit in relation to the capital employed. In the last ten years all these industries have had 200 or 300 per cent. of new investment and actually the profitability for capital employed, after deduction of tax, has gone down. I would only mention some figures to the House so that hon. Members may be aware of what this really is.

What Shri Nayar has done is to quote the index numbers of profits that have been given in the Reserve Bank of India bulletin based on the Company Law Department studies. The same article which is entitled *Index number of industrial profits* however contains another table giving the index numbers of the ratio of gross profits to the total capital employed. On the basis of this table, the index number of profitability for all industries was 93.2 in 1958 as compared to 100 in 1950. As a matter of fact, the new investment has not yet become ripe enough to have earned more profit which would be a legitimate return to the investor. We should not try to denounce the investor and his having grabbed large profits. When he was speaking I could see its effect on the House, namely, is it that the profitability is 300, 200 or 180 per cent? Actually, as happens in every country because the period of gestation is there, there is 7 per cent. less return on the overall total capital employed in different industries. I am not taking the time of the House in narrating the individual industries. The Bulletin also gives the index for individual industries in which a different profitability is shown. This is only with respect to his complaint, namely, that the industrialists are running away with the profits and that the industrial magnets are minting money of which the Government is not aware. We are fully conscious of it. The Company Law Administration, as my senior colleague will elaborate tomorrow, intends to do more studies on the inter-company corporate investment and also on the profitability and profits with relation to different houses and industries.

I am very thankful to the House for the indulgence shown to me. If I have

exceeded a little the time allotted to me, I can only say that I wanted to place before the country through the medium of this House that the industrial economy is passing through a very, very dynamic phase. That dynamisc phase requires the nourishment, blessings, goodwill and understanding not only of this House but of this great country of ours also, so that this process is not thwarted by some jargons being thrown against us and the process is not retarded by some of the forces being converted into monstrosity or by some sort of misdirection of the national effort and national thinking.

Shri Rameshwar Tantia (Sikar): Mr. Speaker, Sir, I must thank the hon. Minister of Industry for his fine speech and the picture that he has placed before us. The public sector and the private sector have expanded in a big way in the country during the last several years. I listened to the names of places, like, Sanatnagar, Hardwar, Madras, Kerala, Punjab that he mentioned but I find that there was no mention of Bikaner or Sikar. You saw that there was no such name mentioned. When the country is expanding in such a way, all the States must get their share. It might be that there are less roads, railways, or power, but one has to put up with them. Even those difficulties have to be considered. A proportionate development of industry should be made in all the States. If the head is big and the legs are small, one cannot walk. In the same way, if the head is small and the legs big, they will be called as elephant legs.

Then I was disappointed to see that although the hon. Minister of Industry had given the figures of loans given to the textile and jute industries by the NIDC, nothing had been mentioned regarding the tea industry. In the last two minutes the hon. Minister said about the tea industry, but we were disappointed. For the last three years the tea industry is wanting some loans and the Government always say that it is under consideration. I would request you that there must be a time limit to 'under consideration'. It may be one year, one and a half year or two years, otherwise they should say, "No, it is not under consideration." When the textile or jute industry can get crores and crores of rupees from the NIDC, I do not understand what is the reason and where is the snag that the tea industry is not getting anything from the Government. For the last two or three years they were saying that the Tea Board was examining it. I do not know what report the Tea Board has given. Now they say that the Reserve Bank is examining it. But not a pie has been given to the tea industry either by the Tea Board or by the Government. I would request the hon. Minister, when he replies to the debate tomorrow, to tell us why the tea industry alone should be treated in a different manner. Very often fertilisers are not made available. There are no credit facilities for the industry. The House will appreciate that tea is our biggest foreign exchange earner, but if the tea industry is neglected like this, our foreign exchange earnings will go down.

As regards jute industry, the hon. Minister was pleased to say that renovation of the jute machinery is being done. I am in the jute trade for the last twenty-five years. Why is it that our jute trade is in a very bad way? We could have had jute at Rs. 50 a bale from Pakistan. But we had to purchase our jute at Rs. 250 to Rs. 300 a bale. When Pakistan jute was selling at a lower rate it used to be smuggled from Pakistan to India every year. But this year, on account of a wrong policy pursued. Indian jute is going to Pakistan. I would like to tell the hon. Minister that Indian jute is being smuggled to Pakistan as the price there is Rs. 65 to Rs. 70 as against our price of Rs. 52 per bale.

Jute is one of the biggest foreign exchanged earners. Inspite of it we sold our jute goods cheaper than Pakistan to America. I asked a question of the hon. Minister last week about this. But the reply that he gave was that that was not the case. I would like to tell him that that is the case.

[Shri Rameshwar Tantia].

Pakistan jute goods got a better price from America than oud goods. We were forced to sell our goods cheaper than Pakistan just to get a good name. Pakistan is a bigger grower of jute than us. How can we sell cheaper than her?

Then there are certain malpractices going on in the jute trade. Last week or the week before last some people were under-invoicing, that is selling at a higher price and preparing invoices at a lower price. The time at my disposal being limited I do not wish to elaborate upon this. All that I wish to impress upon the House is that our biggest foreign exchange earner like tea has been neglected. In regard to tea, I would request the hon. Minister when he replies to the debate tomorrow to tell us what the policy of the Government in regard to financing of tea industry is. It is just like jute, textile or engineering industries. There may be difficulties in the way. But if they take a sympathetic view, they can certainly solve them.

In regard to jute, there is a Jute Forward market. But so many changes are being made in it, that one does not know what the position is.

Then, Sir, I was listening to the speech of Shri V. P. Nayar day before yesterday. He referred to big business houses. I was trying to find out what he exactly had in mind when he referred to big business houses. The biggest business houses in India might perhaps have a turn-over of Rs. 100 crores a year. He should, however, appreciate that there are business houses in other parts of the world having a turn-over of Rs. 500 or even more. What does he exactly mean by the term big business houses?

Shri V. P. Nayar: I meant by Indian standards.

Shri Rameshwar Tantia: Why do you not have a limit of Rs. 200 crores or Rs. 500 crores? As he knows a pair of shoes was [illegible] sold for Rs. 150 in Russia.

Shri V. P. Nayar: Does the hon. Member know what an ordinary worker gets there?

Shri Rameshwar Tantia: Whether it be big business houses, or small business houses, whether it be from the public sector or from the private sector, goods should be made available to the consumer at reasonable prices.

Again, I wish to congratulate the Commerce and Industry Ministry for their big achievements in the last ten years, and I hope that they will continue in the same way.

श्री रामसिंह भाई वर्मा (निमाड़) : अध्यक्ष महोदय, बहुत से माननीय सदस्यों और दो मंत्रियों को सुनने के बाद मैं भी अपने विचार सदन के सामने रखना चाहता हूं । मैं प्राइवेट सैक्टर को बाद में लूंगा, शरू में मैं पब्लिक सैक्टर के ऊपर अपने विचार रखना चाहता हूं ।

श्रीमन्, यह मानना पड़ेगा कि इन पिछले दस वर्षों में पब्लिक सैक्टर ने हिन्दुस्तान के अन्दर अपनी बुनियाद डाल कर जो अपना विकास किया है वह देश के लिए एक अभिमान और सराहनीय बात है । हम यह देखें कि आज से दस साल पहले हिन्दुस्तान में प्राइवेट सैक्टर का बोलबाला था और पब्लिक सैक्टर कुछ देशी राज्यों में और स्टेटों में थोड़े बहुत के सिवाय कहीं दिखाई नहीं देता था । पिछले पांच वर्षों के अन्दर हम देखते हैं कि उसने काफी तरक्की की है । इस माप से हम देखें कि पिछले दस वर्षों में सब मिला कर हमारे देश का उत्पादन कितना बढ़ा तो हम पायेंगे कि लगभग ७१ परसेंट का हमारा उत्पादन बढ़ा है और आजादी की पहले की फीगर्स अगर लें तो हमारा प्रोडक्शन लगभग डबल हो जाता है । पिछले ५ वर्षों के उत्पादन की फीगर्स को अगर हम लें तो पायेंगे

कि इन ५ वर्षों में भी हमारे उत्पादन ने काफी तरक्की की है । इसी के साथ साथ जब हम उत्पादन मूल्य का विचार करते हैं तो पिछले ५ वर्षों में हमारे कुछ उद्योगों के जैसे कैमिकल इंजीनियरिंग आदि, उनमें ५० परसेंट, ड्योढ़े के करीब हमारा उत्पादन मूल्य में भी बढ़ा है । इंजीनियरिंग इंडस्ट्रीज का तो ५ वर्षों के अन्दर डबल हो गया है । सन १९५६ में जहां हमारा १००० करोड़ रुपये का उत्पादन होता था वह बढ़ कर १९६० में १६०० करोड़ रुपये का हो गया है । मैं यह मानता हूं कि हमारी तरक्की, हमारे देश के लिए उत्पादन की तरक्की और हमारे मूल्य की तरक्की एक सराहनीय चीज कही जा सकती है । लेकिन इसी के साथ ही हमें यह मानना होगा कि जब तक हम देश के अंदर अपनी इंडस्ट्रीज का निर्माण नहीं करेंगे जिनके कि द्वारा हमारे देश में मशीनें तैयार हों और मशीनों के पुर्जे तैयार हों, तब तक यह नहीं कहा जा सकता कि हम ने पूरी तरक्की की है ।

हमने प्रथम, द्वितीय और तृतीय पंचवर्षीय योजनाओं में इंडस्ट्रीयल विकास का जो ध्येय रक्खा है वह एक समाजवादी ध्येय है क्योंकि जनता की जरूरतें पूरी करनी है और लोगों को काम देना है । हम इसको स्वीकार करते है कि हमारा उत्पादन बढ़ा है और जो उत्पादन हुआ है वह मूल्य में भी बढ़ा है लेकिन इसी के साथ साथ यह भी देखना होगा कि हमने पब्लिक सैक्टर में टोटल पूंजी कितनी लगाई है और पूंजी के परिणाम में हमारा उत्पादन कितना हो रहा है और मूल्य कितना हो रहा है ? जब तक टोटल पूंजी हमारे सामने न हो तब तक हम यह कह दें कि हमारा उत्पादन लगभग ७० परसेंट बढ़ गया हमारा उत्पादन का टोटल मूल्य ५० परसेंट बढ़ गया, इससे काम नहीं चलेगा । काम तब चलेगा जब टोटल इनवैस्टमेंट पबलिक सैक्टर में कितना है वह हमें मालूम हो और उसके आधार पर हमारा प्रोडक्शन और उत्पादन मूल्य क्या है उसका पूरा अंदाजा हम तभी लगा सकते हैं

यह कहना पड़ेगा कि पबलिक सैक्टर में कुछ इंडस्ट्रीज तो अभी प्रोडक्शन करने नहीं लगी हैं, कुछ में काम अभी थोड़ा-थोड़ा शुरू हुआ है और कुछ इंडस्ट्रीज इस प्रकार की हैं कि काफी वर्षों से प्रोडक्शन कर रही हैं । जिन इंडस्ट्रीज ने अभी काम शुरू किया है या जो शुरू करने वाली हैं उनका मैं जिक्र नहीं करूंगा । लेकिन जो इंडस्ट्रीज ५ साल से या ७ साल से हमारे देश में पबलिक सैक्टर के ऊपर चल रही है और जो प्रोडक्शन दे रही हैं, मुझे उनके सम्बन्ध में दुःख के साथ यह कहना पड़ता है कि अभी भी जो उनकी प्रोडक्शन कैपेसिटी है वह फुल कैपेसिटी पर नहीं आई है । मेरी समझ में वह कारण नहीं आता कि जिसकी वजह से वह फुल कैपेसिटी पर नहीं आई है ।

मंत्री महोदय ने अभी फरमाया था कि प्राइवेट सैक्टर में जो कारखाना लगाते हैं तो पहले साल दो साल कोई प्राफिट नहीं करते हैं लेकिन इस सम्बन्ध में मेरा अनुभव है और उसके आधार पर मैं कह सकता हूं कि प्राइवेट सैक्टर में जो भी कारखाने खुले है और मेरे पास बैलेंस शीट्स है और उनसे साबित होता है कि दूसरे साल में ही प्राइवेट सैक्टर में खुलने वाले कारखानों में मुनाफा होने लगा । मेरे पास प्राइवेट सैक्टर और पब्लिक सक्टर दोनों में चलने वाली इंडस्ट्रीज की बैलेंस शीट्स है । एक तरफ पब्लिक सैक्टर में एक इंडस्ट्री डाली जाती है और दूसरी तरफ प्राइवेट सैक्टर में स्टार्ट की जाती है और दोनों साथ साथ प्रोडक्शन देने लग जाती हैं, मैं यह देख रहा हूं कि प्राइवेट सैक्टर

[श्री रामसिंह भाई वर्मा]

अच्छा प्राफिट कर रहा है और पब्लिक सैक्टर नुकसान कर रहा है । मझे प्राइवेट सैक्टर से इतना लेना देना नहीं है । मुझे तो पबलिक सैक्टर से लेना देना है क्योंकि वह देश की दौलत है और देश के लिए चलाया जा रहा है । प्राइवेट सैक्टर तो मुनाफाखोरी के लिए चल रहा है और गवर्नमेंट चाहे तो उसे कल बंद कर सकती है । गवर्नमेंट को तो पबलिक सैक्टर में आगे बढ़ाना है और देश की जरूरतें पूरी करनी हैं । अपने देश की राष्ट्रीय आय को बढ़ाना है । जो समाज वादी समाज की स्थापना का ध्येय हमने अपनाया है तो उसको कायम करने के लिए पबलिक सैक्टर बहुत जरूरी है । एक तरफ हम विदेशों से उधार लेते हैं और उसका ब्याज भी हम कहीं २ परसेंट और कहीं ४ परसेंट देते हैं और दूसरी तरफ उससे कारखाना डाल कर उत्पादन जो होता है तो ब्याज की रकम जो विदेशों से हमने उधार ली है, उत्पादन करने के बाद उतनी रकम भी हम अगर वसूल न करें बल्कि उलटा लौस करें तो हमारे लिये यह एक बड़ी गम्भीर बात है । एक तरफ तो हमारे पास पैसा नहीं है और दूसरी तरफ हमारे पास उद्योग के लिए अच्छे टेक्नीशियंश नहीं हैं तो इस बात को हमें ध्यान में रखने की जरूरत है कि दरअसल में हम जहां पब्लिक सैक्टर खड़ा करते हैं वहीं ठीक दिशा में चले । हमें इसकी सावधानीग रखनी चाहिए ।

श्रीमन, मैं यहां ३ बैलेंस शीट्स का जिक्र करना चाहता हूं । दो पबलिक सैक्टर के हैं और एक प्राइवेट सैक्टर का है पब्लिक सैक्टर में चलने वाली एक इंडस्ट्री में लगभग ३७ करोड़ रुपये की पूंजी रुकी हुई है और पबलिक सैक्टर में ही चलने वाली दू[redacted]ी में लगभग साढ़े ६ करोड़ से अधिक की पूंजी रुकी हुई है । प्राइवेट सैक्टर में ८ करोड़ रुपये की पूंजी लगाई हुई है . . .

चौ० रणवीर सिंह : उनका नाम बताइये ?

श्री रामसिंह भाई वर्मा : एक तो सिंदरी है और दूसरी नेपा है । सिंदरी के अन्दर लगभग ३७ करोड़ रुपये की पूंजी रोकी हुई है और नेपा में लगभग साढ़े ६ करोड़ पये की पूंजी लगाई हुई है । यह दोनों पबलिक सैक्टर में है । मैं मंत्री महोदय से यह जानना चाहूंगा कि उसमें उत्पादन आज से नहीं वर्षों से हो रहा है लेकिन अभी भी उसका प्रोडक्शन पूरी कपेसिटी के ऊपर नहीं आया है और उसके अंदर हम नुकसान की ओर जा रहे हैं । सिंदरी की हालत तो यह है कि योजनाबद्ध जैसे हमारी पचवर्षीय योजना चलती है उसी तरह से उसमें योजनाबद्ध हमारा प्रोडक्शन गिरता जा रहा है । जब हम उसके प्लांट को बढ़ा रहे हैं और जब कि उसकी पूंजी को हम बढ़ा रहे हैं तो न दोनों चीजों के बढ़ने से हमारा प्रोडक्शन भी बढ़ना चाहिए जो कि घटता जा रहा है . . .

अध्यक्ष महोदय : अब माननीय सदस्य अपना भाषण समाप्त करें ।

श्री रामसिंह भाई वर्मा : अभी तो श्रीमन् शुरुआत ही हुई है और कम से कम पन्द्रह मिनट मैं और लेना चाहूंगा . .

अध्यक्ष महोदय : मैं क्या करूं ?

I wanted to call the hon. Minister; tomorrow it will stand over for the Minister. But the hon. Member may continue for 10 minutes tomorrow. And, then, I will call the hon. Minister.

Shri P. C. Borooah (Sibsagar): We did not get a chance.

Mr. Speaker: I am sorry; I would have called many other hon. Members. But the time has been allotted; we have tried to extend the time also.

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18 hrs.

DEVELOPMENT OF CALCUTTA

Mr. Speaker: We will now take up the half-an-hour discussion. Shri Aurobindo Ghosal.

Shri Aurobindo Ghosal (Uluberia): Mr. Speaker, Sir, the reply to Starred Question No. 397 of the 28th February, 1961 given by the hon. Minister of Planning is very vague and it raises a feeling in our minds that the Planning Commission has not been able to grasp the importance and the emergency of the need for the development of Calcutta.

Sir, I do not know if they have realised that the Doomsday of Calcutta, a city which is still the biggest city in India from the point of view of size, population and earning capacity is near at hand. This is not my prediction but the prediction of the expert committee of the World Health Organisation, that if no immediate step is taken to develop and renovate the city of Calcutta, then it shall have to face extinction in the next 12 years.

Though the population of proper Calcutta has been stated to be 35 lakhs in the last census, the census of 1961, still Greater Calcutta which has got a population of 20 lakhs more is so integrated and closely knit with it that it is very difficult to draw a delimitation between these two areas. It is an unplanned old city, no doubt, a city of palaces and slums. Beggars and kings are living side by side. It is a city of factories and dwelling houses which have been huddled together giving an excellent example of the peaceful co-existencee of contradictory stratas.

Neitner the supply of water, nor the drainage or the sewage system is scientific and modern and adequate enough for the highly congested population. Twenty-five per cent. of the people of Calcutta live in slums and less than 10 per cent. of the people live in good houses. Six lakhs of people live on the footpaths. There are about 5182 kutcha latrines and 60,000 to 70,000 families have no latrines at all. The total population of cows and buffaloes within the municipal limits is about 50,000.

According to the report of the Socio-Economic Survey, there is no arrangement for supply water to 23 per cent. of houses; and 50 per cent. of the houses, each containing 10 families on an average, have got only one water tap. Eighty per cent. of the tube-wells are out of order since the last 10 years. The air is stuffy and full of smoke. You can imagine that from the amount of coal that the city consumes per day. It consumes 100 wagons containing 2,000 tons of coal per day. And, according to the survey the smoke deposit is about 2 tons per sq. mile per day. The streets are literred with hawkers, bulls, dogs, dust-bins and what not. There is no sitting accommodation in the schools and the students take their lessons standing in colleges and schools. The hospitals are so full that beds are being laid in the verandahs, stair-case and the beds are now coming up to the entrance of the hospitals.

The supply of power has already been discussed and I have raised these points several times in the last few days. Even now the crisis of power is heightened due to the failure of the D.V.C. to supply power. Naturally, for 3 or 4 hours per day Calcutta is going to be drowned in darkness. This is the appalling condition of the city of Calcutta at the present moment. In connection with the recent visit of the Queen to Calcutta, the *Spectator* of England has given a very vivid discription of Calcutta in the following words:

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*Half-an-hour discussion.

[Shri Aurobindo Ghosal]

"Here sixty lacs of people live, take half meal, make paltry income and sleep in the streets. The pillars of Bengal—jute and tea—have broken. The main jute-growing area has been included in the Eastern Pakistan and the tea areas have been separated by Pakistan territory. The river of Calcutta port is gradually dying. The Calcutta today is the biggest challenge to modern India."

Mr. Speaker: Where is the hon. Member reading from?

Shri Aurobindo Ghosal: It is a quotation from the *Spectator*. I do not know if the Planning Commission has realised it. The Planning Commission was approached by the Chief Minister of West Bengal for Rs. 200 crores for the development of greater Calcutta. But the Planning Commisssion has granted only Rs. 10 crores in the Third Plan and it is very paltry amount for the development of Calcutta.

The World Bank Mission sent a team to survey and report on the development of Calcutta. It has recommended that the Central Government should accept a direct and special financial responsibility for the improvement of the conditions in the city and a considerably larger allocation should be made in the Third Plan for slum clearanve and for the improvement of the city; secondly, that the failure to solve the probiems of the city of Calcutta is putting impediments in the way of economic growth of the city and is also impeding the expansion of the industrial programme in West Bengal and so on. Since at the time it reported, the Census results were not out, it said that the population of Greater Calcutta was believed to be six million as against 3·5 million in 1948. The team has also said that Calcutta is the hub of India's industrial activity and export industries but no aspect of community development is keeping pace with the rapid growth of is population and that the Corporation of Calcutta has neither the power nor the financial resources to cope with the staggering problems; the Central Government thinks that it is the problem of the Government of West Bengal, which, in turn, is struggling with many other difficulties. It says that the very magnitude of the problem explains the inadequacy of the response; everbody says that something ought to be done about it, it says, but no body is ready to do anything for this development.

Another observation is about the construction of an expressway from Durgapur to Calcutta; the fourth recommendation is that the scheme for the satellite port which is now going to be located at Haldia should be expedited in the Third Plan. They have also said that the cost of the development scheme, as estimated at present at Rs. 2 billion, is not high and no more than the cost of a new steel plant. They also felt that the foreign exchange component would be comparatively small and the labour component high, that the technical and financial assistance from abroad would be of value in such matters as land reclamation and town planning.

These are, in a nutshell, the recommendations of the World Bank Mission which surveyed the position. The importance of the scheme of Greater Calcutta was emphasised by me also and I would like to quote one paper of Bombay—*the Economic Weekly*—to show it is of national importance:

"There are at least two good reasons why the primary responsibility of a programme for redeveloping Calcutta should be met at the national level. The influx of refugees and the resulting breakdown of urban facilities—not to say the social tension—are direct consequences of the decisions taken by national leaders to partition the country thirteen years ago. The other major factor adding to Calcutta's burden has been the further industrial concentration since the launching

of the five year plans from which whole country is going to benefit. Because of the rise of new industries, Calcutta's port facilities are under great strain. The approaches to the city by road and rail are equally jammed. The migration of increasing batches of industrial labour has worsened the housing mess. To add to all this is the pollution of the city air."

It is not only the feelings of Bengalis. It is the feeling of everyone in the land. The paper has also commented on the attitude of the Centre towards this problem. They have said:

"The authorities at the Centre had displayed a peculiar astigmatism wherever the question of Calcutta has cropped up in recent discussions....little enthusiasm has been seen in high places to take detailed measures for pulling Calcutta out of the present morass. Scarcity of houses, overcrowding in educational institutions, middle class unemployment, refugee concentration, shorage of adequate water supply, lack of sanitation and other essential health facilities, the inadequacy of transport, the overall lack of maintenance in public utilities have piled themselves in the last decade and a half one upon the other. True, there are other deeper psychological processes at work, but the alienation of Calcutta in particular, and West Bengal more generally, from the wider political current in the country is at least partly explained by the grimness of living and working conditions."

This is not the view of the Bengalis only. This is the opinion of all thinking people all over this country.

The West Bengal Government has estimated the total cost of this project at Rs. 220 crores, but the scheme being a self-financing one, the initial capital that would be required has been estimated at Rs. 75 crores.

Speaking on a resolution urging upon the State Government to proceed with the greater Calcutta scheme, the Chief Minister of West Bengal, in the West Bengal Legislative Assembly recently, is reported to have expressed grave concern about the deteriorating living conditions in the greater Calcutta area and had added that anyhow Rs. 200 crores should be obtained either from the Centre or by the State or from any other source to save Calcutta from ruin.

On the question of approaching the Centre for the project, Dr. Roy said in the Assembly that he had spoken about the project to the highest authorities in Delhi and they had agreed to do something but that none had indicated about the source of finance.

In the West Bengal budget, Rs. 1 crore has been initially allotted for the scheme. I would request the hon. Minister to consider about sanctioning more money for the development of Calcutta. After the World Health Organisation, the Ford Foundation also has undertaken a survey and it has made three preliminary recommendations. They have said that not only must the schemes relating to the supply of water, drainage and sewage be undertaken but that a town-planning for greater Calcutta should also be taken up; that an organisation should be set up for planning greater Calcutta. They have also recommended that the area should be extended from 200 sq. miles to 700 sq. miles in the master plan. They have also agreed to finance the survey, and said that the extra money that will be required to extend the area to 700 sq. miles should be procured from the World Bank at their initiative. Recently, the outgoing United States Ambassador in India stated in Hyderabad that the money given under PL 480 can be utilised for the development of Calcutta. So, that source is open to the Government for tackling the problem.

It is really unfortunate that our Prime Minister has called the city of

[Shri Aurobindo Ghosal]

Calcutta a dead city, a city of processions and a city of nightmare and so on. The Health Minister has also commented that it is the dirtiest city in India. I agree with this. But we must know who is responsible for this For whose utter neglect is the city going the path of Mohenjo Daro? I would like to warn the Government that the death-knell for the city of Calcutta would affect not only the State of West Bengal and the pepole of West Bengal but that it is the prosperity of India that will be affected. Therefore, I would request the hon. Minister to be less close-fisted, to be less uncharitable and take greater interest towards the problems of West Bengal which is the birth-place of the freedom movement and of modern Indian culture.

Shri Raghunath Singh (Varanasi) *rose—*

Mr. Speaker: I wil not call him; he has not given notice.

The Minister of Labour and Employment and Planning (Shri Nanda): Presumably the object of the hon. Member was to focus attention on the serious problems of Calcutta. But he seems to be oblivious of the fact that the Government is conversant with the facts of the situation. It has fully realised the gravity and urgency of the problem which confronts the city of Calcutta. In fact, the very vivid picture which the hon. Member has drawn of the conditions in Calcutta has been largely derived from a survey which was made at the instance of and under the auspices of the Planning Commission itself. The Planning Commission has a Research Programme Committee and it arranged for a survey of the city of Calcutta, which was conducted by Prof. Sen, Professor of Economics, Calcutta University.

There can be no difference of opinion as to the enormous and immense problems and the difficult conditions, which are, as the hon. Member has pointed out, in certain respects deteriorating. But this Government does not require any goading from the hon. Member or anybody else to do its duty towards Calcutta. It was on the initiative of the Government of India that some of the steps to which the hon. Member has referred were taken. For example, the enquiry by the World Health Organisation, to which the hon. Member referred, was undertaken at the Government of India's request. A team of consultants was deputed to make a survey of the conditions regarding the water-supply, drainage, sewerage, etc. Later on, the Ford Foundation also was requested to take interest in the situation in Calcutta and a kind of preliminary survey was made by a team of the Ford Foundation.

Some preliminary enquiries have been made, from which some suggestions have emerged that some kind of a co-ordinating set up should be created for this area. It is intended that by July, a team of three or four experts will be sent out and it is expected in a few months' time more complete reports will come from that body.

The hon. Member has cited the World Bank Mission's report, which urges on the Government of India to take a direct and special financial responsibility for Calcutta. This has been done. In the provisions in the Plan, limited to Rs. 7,500 crores in the public sector, Rs. 10 crores have been provided and the Government of West Bengal has also made a provision of not Rs. 1 crore, but Rs. 10 crores. It is Rs. 10 crores on the side of the West Bengal Government also. Therefore, provision exists both on the side of the Government of India in the Plan and on the side of the West Bengal Government. All those concerned have realised and they do realise their responsibilities.

It has been sometimes questioned as to why the Government of India

should take a special interest in one city alone and not in other cities.

But those who take that stand lose sight of the fact that although the nation is interested in all the cities, their improvement and in solving their problems, Calcutta stands by itself and attracts in a special sense the responsibility of the Government of India because of the magnitude and character of the problem. So there is no difference of opinion regarding that.

Certain schemes are now afoot are under consideration. The hon. Member has mentioned some of the schemes. There is an idea to develop a certain area of 55,000 acres in four thanas. This is in order to have an integrated development of that area, in order to be able to disperse a part of the population. This, as the hon. Member pointed out, is a self-financing scheme. We have been informed that—apart from the credit that has to be obtained through some arrangement from the banks—as the areas develop the money is going to come back. Of course, the scheme of the W.H.O. is a limited scheme—questions of water-supply, sewerage, drainage etc.—and there is an immediate scheme and there is a long-term programme. The Government of Bengal is considering the suggestions already made. It is a preliminary report. The W.H.O. has also to make a final report giving its final ideas of the scheme.

Shri Raghunath Singh: May I know what the Government is doing to remove the salinity of the water that is used by 80 lakhs of people in Calcutta? There is not a single drop of sweet water available in Calcutta.

Shri Nanda: The hon. Member knows the decision that has been taken in this regard. It is not an easy thing. The scheme of Farakka Barrage is the answer to that problem This has been properly included in the Third Five Year Plan—hon. Members know that already.

In all these various directions the work has to proceed. Then, there is the move that has been made by the Ford Foundation. Its aid has been sought in order to have a fuller programme, a kind of plan which will integrate not only the features covered by the W.H.O. scheme but other features like transport, other utilies etc. After all, we are not having all these enquiries and sending out teams of experts simply to glean facts. Certainly the intention is that a proper programme is made, a proper scheme is worked out and it should be implemented. They have also to consider the question as to how it is going to be implemented.

Mention was made of certain observations made by the United States Ambassador who has now gone back to the States. That is being very much misunderstood. There is some kind of a view as if the Ambassador can dole out certain funds which he has at his disposal and which the Government otherwise has not got. Therefore, when somebody goes to Bombay they talk of, say, roads, and when somebody goes to some other city they talk of some other problems. The World Bank Mission's report has drawn pointed attention to the problems of Calcutta. That is perfectly all right.

Shri D. C. Sharma (Gurdaspur): Do you get similar reports about other cities also?

Shri Nanda: Other cities have their problems. They have there plans and the various States are trying to do something. I have already said that. But we recognise in Calcutta as special problem for which we feel a special sense of responsibility. That cannot be denied. Therefore, what has to be done will be done by us. It is true that PL. 480 funds are available with the Government of India. In the Draft Outline it has been mentioned as to how much it is.

These Rs. 400 crores form part of the budgetary resources corresponding to external assistance of Rs. 2,200

[Shri Nanda].

crores. According to the procedure, suitable schemes for inclusion in the programme of assistance under PL 480 are framed by Government and, from time to time, are offered to the representatives of the United States and schemes which qualify for assistance under that head are taken up. Therefore, once the acceptance of the responsibility is there both by the Government of India and the Government of Bengal, and provision having been made as to the source from which the money is to come, it is not a matter of debate or discussion of this kind.

Therefore, I have answered the question in these terms. We are aware of the problem, of its dimensions and intensity, and we have been working on it, not now but for some time past. Surveys have been made at our instance and teams have been sent out to prepare schemes. And when the schemes are prepared at our instance, certainly we should be trusted to do the rest. I do not think that the hon. Member need have any apprehension on that score. I think I have stated my case.

Shrimati Renuka Ray (Malda): I would like to know from the hon. Minister whether the resources required for the expansion and development of Calcutta are now available. Has the Planning Commission agreed to this expenditure? Also, may I know whether external assistance is available for this?

Shri Nanda: I have practically covered that point. External assistance is in terms of any foreign exchange that is required for any programme. If we have adopted a programme, certainly we will provide the foreign exchange for that purpose. Otherwise, there is no question of direct linking with any foreign assistance. When foreign help comes to the Government of India, out of that, we make provision according to the urgency and priority of the project.

Shrimati Renuka Ray: Will the project have the amount needed by it?

Shri Nanda: We have made a certain provision at this stage. As the work proceeds, if anything more needs to be done, we shall certainly try to do that.

18.29 hrs.

The Lok Sabha then adjourned to Eleven of the Clock on Tuesday April 11, 1961 Chaitra 21, 1883 (Saka).

[*Monday, April 10, 1961/Chaitra 20, 1882 (Saka)*]

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3034	Vocational courses for Backward Class students in Punjab	10230–31
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OBITUARY REFERENCE . 10232

The Speaker made a reference to the passing away of Dr. Natbar Pandey who was a member of the first Lok Sabha. Thereafter members stood in silence for a short while as a mark of respect.

STATEMENTS BY MINISTERS . . . 10234—37

(*i*) The Minister of Home Affairs (Shri Lal Bhadur Shastri) made a statement regarding the condition of Col. Bhattacharjee who had been kidnapped by Pakistani armed policemen from Baira village in West Bengal.

(*ii*) The Minister of Defence (Shri Krishna Menon) made a statement regarding entry of Pakistani troops into Indian territory and firing on Indian troops on the Kathua border of Jammu and Kashmir on the 3rd April, 1961.

PAPERS LAID ON THE TABLE 10238

(1) A copy of Notification No. 21-13-60-Delhi published in Delhi Gazette dated the 18th March, 1961 making certain amendment to the Delhi Municipal Corporation.

PAPERS LAID ON THE TABLE—*contd.* COLUMNS

(Facilities for Mayor) Rules, 1958, under sub-section (2) of Section 479 of the Delhi Municipal Corporation Act, 1957.

(2) A copy of Notification No. S.O. 2688 dated the 4th November, 1960 under proviso to sub-section (2) of Section 18A of the Industries (Development and Regulation) Act, 1951.

REPORT OF ESTIMATES COMMITTEE—PRESENTED 10238

Twenty-eighth Report was presented.

DEMANDS FOR GRANTS 10238—10387

Discussion on Demands for Grants in respect of the Ministry of Commerce and Industry continued. The discussion was not concluded.

HAL-AN-HOUR DISCUSSION . . . . . 10387—98

Shri Aurobindo Ghosal raised a Half-an-Hour discussion on points arising out of the answer given on the 28th February, 1961 to Starred Question No. 397 regarding development of Clacutta. The Minister of Labour and Employment and Planning (Shri Gulzarilal Nanda) replied to the debate.

AGENDA FOR THURSDAY, APRIL, 11, 1961/CHAITRA 21, 1883 (*SAKA*)

Further discussion and voting on the Demands for Grants in respect of the Ministry of Commerce and Industry. Discussion on the Demands for Grants in respect of the Ministry of Defence.